

The China Weekly
REVIEW
報論評氏勒密

A Weekly Newspaper Established in 1917

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League Manifestations

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(By the Review's Tokyo Correspondent)

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. By Harry Paxton Howard

What China's Silk Industry Needs the Most---Expert

Advice or Financial Assistance? . . . By Paul K. Whang

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Formerly Millard's Review

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W. MISSEMER Asst. Editor; HOH CHIH-
HSIANG, Asst. Editor; TRYPHON KU, Ad-
vertising Dept.; F. K. CHAO, Business Dept.

CONTRIBUTING EDITORS

C. Y. W. MENG DANIEL J. LEE
S. C. YANG (Harbin) CHANG YA-CHUEN
MARK M. LU (Honan) FLORENCE WONG
(London)

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WASHINGTON OFFICE

J. J. Underwood—Correspondent
Colorado Building, Washington, D. C.

QUESTION OF REMOVING THE BRITISH LEGATION TO NANKING

THE immediate removal of the British Legation from Peiping to the Yangtsze valley was advocated in an article appearing in the *London Observer*, a summary of which was telegraphed to the Far East by *Reuters* on October 30. The writer of the article argued that the removal of the British Legation to Shanghai or Nanking would narrow the "gulf" between the British consular and diplomatic services and between the Legation and British commercial interests as represented in the chambers of commerce. Also it was recommended that the British commercial and diplomatic services should be reorganized and concentrated at Shanghai. Finally there was a consideration of the relative merits of Shanghai and Nanking, the final opinion being that Shanghai probably would be a more suitable location pending the construction of permanent legation premises in the National Capital at Nanking.

Although apparently not recognized by *Reuters* correspondent, the article in the *Observer* closely paralleled Chapter XIV in the recent book, "The Capital Question of China," which was written by Lionel Curtis of the Royal Institute of International Affairs who spent considerable time in the Far East in connection with the Institute of Pacific Relations. Mr. Curtis in his book presented arguments for the removal of the British Legation to the Yangtsze valley which practically are unanswerable and which tend to make the continued presence of the foreign legations in Peiping appear ridiculous. The writer in the *Observer* stressed economy as one of the reasons for the removal of the British Legation, but Mr. Curtis in his arguments went much further and showed that the continued presence of the British Minister and staff in Peiping is detrimental from almost every point of view. Said Mr. Curtis:

"Like Jerusalem, Rome, Constantinople, and Mecca, Peking is one of the legendary cities of the world. Its ramparts and palaces, temples and monuments exercise a spell which fixes the mind on the past. In this historic environment the student interpreters destined for the Consular Service, which advises the Ministers, studied the language in the most impressionable years of their life. Their environment was such as disposed them rather to view China through the medium of the past than to study the factors which were breaking the links with the past and reducing her whole life to confusion. Those factors were mainly operative in the Yangtsze valley, where foreign merchants were developing trade with the Chinese, a region which could only be reached (from

Peking) by a four days' journey. In point of time, the seat of government was more remote from the principal scene of action than Moscow from London. The bulk of trade in the Yangtsze Valley was British. From the outset the British Legation has been out of touch with the merchant communities of the Yangtsze, especially Shanghai, where the trade between China and the rest of the world mainly centers. In Peking there was everything to attract the professional diplomat, and much to repel him in a place like Shanghai.... The diplomats who visited Shanghai could not always conceal their anxiety to finish their business and escape from distasteful surroundings. The remoteness of Peking thus gravely accentuated the social aloofness which is apt to exist between diplomatic and mercantile circles in foreign countries.... The merchants, however commonplace in their tastes and outlook, were none the less a medium through which the dynamic forces of western civilization were disintegrating China. They were the real factors in the problem, human factors who needed a guidance and leadership which no British minister in Peking has ever been able to supply. The British colonies on the Yangtsze have never been taught to look to their minister, as those in South Africa looked to men like Grey, Frere or Milner, or the British community in Egypt looked to Cromer.... So attractive is the life in Peking that those who have enjoyed it, sometimes find on retirement that existence elsewhere is unbearable and return to spend their old age in Peking.... The result has been a silent but continuous pressure on China to keep her government located at a spot fatal alike to its own effective authority and to the unity of the Chinese people."

There is nothing which Mr. Curtis has said about Peking from the standpoint of British diplomacy which does not apply with equal force to the Americans. When the present American Minister, Nelson T. Johnson was appointed, his original instructions were to maintain close contact with the Chinese National Government at Nanking, but for some reason the American Minister along with most of the other foreign ministers excepting the Japanese, Germans and Italians, has apparently chosen to spend a considerable portion of his time in Peking (Peiping) particularly in the critical period of the past year incidental to the Sino-Japanese situation. In view of the present economy program in Washington resulting in the cutting of salaries of government officials and general reduction of governmental expenses, one wonders why someone does not introduce a bill in Congress to abolish the Peiping Legation and transfer the entire staff to Nanking and Shanghai. As a matter of plain fact practically all of the diplomatic business which the American Government conducts in China is handled by the American Consulate-General in Nanking, the Legation in Peiping merely serving as a transmitting agency. In order to maintain this Peiping transmitting agency the American tax-payer is forced to support the Legation staff consisting of the Minister, a half-dozen secretaries, and some forty clerks not to mention a Marine guard of 600 men for protective purposes.... Much of this money could be saved by transferring the Legation to Nanking or Shanghai, but beyond the monetary saving the transfer of the Legation also would have the effect of placing the diplomatic branch of the U. S. Government in daily intimate contact with present-day China which exists in the Yangtsze valley and South China and not in the North. Also, and of possibly even greater importance the transfer of the Legation to the Yangtsze valley would have the effect of bringing the diplomatic branch of the U. S. Government into more inti-

mate contact with American business which is centered in this region. There would appear to be only one argument in favor of maintaining the foreign legations in Peiping at the present and that is, it possibly enables the ministers to maintain closer connection with what is going on in Manchuria, but this certainly does not outweigh the arguments in favor of a removal to the Yangtsze valley.

JAPANESE RADIO-SLEUTH CATCHES AUTHOR OF "STRANGE MESSAGES"

THE Japanese authorities always are on guard against those who would circulate "dangerous thoughts" among the people of the Island Empire, particularly the youths of the land. To this end the Japanese Government has established a censorship which is all-embracing in its ramifications, including all newspapers published in the country and copies of all newspapers published outside of Japan which might be read by subscribers residing in Japan. But the development of radio in recent years brought a new complication for there was nothing to prevent the owner of a radio set in Japan from "tuning-in" on radio broadcasts emanating from foreign lands, particularly China, Russia and the United States. But now it seems this ticklish censorship problem also has been solved through the ingenuity of the Osaka Communications Bureau which makes it its business to sleuth out foreign radio stations and "blot-out" broadcasts which might contain "dangerous thoughts" for Japanese listeners-in. This is done by broadcasting meaningless sounds on the same wave-length as that used by the foreign radio station, the results, according to foreign residents of Japan being so successful that the owners of radio receiving sets in Japan are no longer able to pick up broadcasts from other countries unless the program happens to be harmless in the opinion of those who guard the thoughts of the Japanese populace. Owners of radio sets in Tokyo, Yokohama, Osaka and Kobe who previously were able to listen-in on programs broadcasted from Shanghai, Manila, Hanoi, Nanking, Peiping, Habarovsk, Vladivostok or from the United States and Europe, are now denied that pleasure due to the recent erection in Japan of a ring of "blotting-out" stations which effectively prevent foreign broadcasts from being heard in Japan. But the new development however often leads to embarrassing, not to say amusing, results as a brief report in the *Japan Chronicle* on Oct. 22 indicated. It seems that the Osaka Communications Bureau for some time had been worried about certain "strange radio messages" which had been heard in Japan from the general direction of northeastern Asia and since northeastern Asia includes Siberia which is a part of the U. S. S. R. these messages undoubtedly were of dangerous character. It is generally known of course that the Soviets maintain high-power stations at Habarovsk and Vladivostok which nightly broadcast programs in various languages, said broadcasts often being of a highly dangerous political character, particularly when viewed from the standpoint of present conditions in Japan. But the recent

"strange radio messages" were in code and dealt with conditions in Manchuria, hence were particularly dangerous. It required all the ingenuity of the radio censors to solve the mystery, but they did finally solve it—much to the amusement of the Japanese public and needless to say, the embarrassment of the Osaka censorship fraternity. The messages, it seems, were nothing more nor less than reports which were being sent to the Japanese military headquarters in Mukden by commanders of Japanese bandit punitive expeditions in various parts of the north-eastern provinces. Thus the "strange radio messages" turned out to be nothing more than Japanese military reports from Manchuria and not "dangerous thoughts" broadcasted to secret connections in Japan as the censors originally thought. The inauguration of radio sleuthing in Japan also led to another interesting recent discovery—that the redoubtable Chinese loyalist commander, Gen. Ma Chan-shan, is not dead as originally reported by Gen. Honjo, but on the contrary is very much alive. Several weeks ago Gen. Honjo reported with much detail that Gen. Ma Chan-shan was dead, had been killed by a Japanese punitive expedition, and in due course Gen. Araki Minister of War repeated the details to the Emperor. But the Osaka radio sleuth discovered that Gen. Ma is still alive, the discovery being made through the expediency of intercepting some of Gen. Ma's recent radio messages to Peiping and Shanghai requesting funds for the Chinese loyalists and volunteers who are fighting the Japanese war-lords in Manchuria. Gen. Araki in a recent report to the Tokyo Cabinet Council admitted that there are now "some doubts" regarding Gen. Ma Chan-shan's death, regarding which the Japanese military previously were so certain. The Japanese War Minister stated he was making a "further investigation" and had asked Gen. Muto at Mukden to report on the matter!

RUMANIAN SENTIMENT BECOMES MORE FAVORABLE TO SOVIETS

MENTION was made in an editorial in *The Review* of Oct. 22 (page 320) that Rumania was the only country on the western border of Russia which had not entered into a non-aggression pact. The signing by Poland of such a non-aggression pact with Russia on July 25 last was one of the greatest triumphs of Soviet diplomacy for some time. As is well known France, Poland and Rumania ever since the European War have acted together very closely, Poland and Rumania being held together by a treaty of alliance—for defensive purposes only, as Poland is always careful to point out. The signing by Poland of a non-aggression pact with the Soviets has of course made a profound impression on Rumania, with whom the Soviets have been "angling" for the past year with the hope of also inducing Rumania to sign such a pact. The obvious object of the Soviets in also adding Rumania to the list of countries with which they have made non-aggression pacts is to make their western border absolutely safe from attack in case an attack is made by the Japanese from the eastern side of their domain.

So far the Rumanians have held out resolutely against making such a non-aggression pact with the Soviets, but it would seem that there has of late been a gradual veering of Rumanian opinion in favor of such an agreement.

A *Tass* telegram from Vienna Oct. 25 stated that two of the foremost and most influential of the Rumanian newspapers, *Dimineaca* and *Adeverul* commenting editorially on the Soviet-Rumanian negotiations for the conclusion of a pact of mutual non-aggression, insist on the necessity for a reconsideration of a foreign policy of the Rumanian government. "Due to the world-wide economic crisis," states *Dimineaca* "France and Poland were obliged to alter their attitude toward the U.S.S.R. Lately, many French industrialists and politicians have visited Soviet Russia and have concluded that such a great country, the population of which is fast approaching 200,000,000, must be considered as a very serious and desirable customer. The example set by other countries, which are now getting large Soviet orders, has engendered in both French and Polish industrial circles a desire to conquer a share in Soviet trade. These two countries accordingly changed their attitude toward the U.S.S.R." The Rumanian paper goes on to say that the conclusion of a non-aggression pact between Poland and the U.S.S.R. and the expressed desire of France that Rumania should enter into a similar pact, has created a serious fear in Rumania that the steps taken by France and Poland in this regard have weakened to a considerable degree the relations of Rumania with these two countries.

As noted previously in these columns, the signing of non-aggression pacts between the U.S.S.R. and the European border states, Poland, Finland, Latvia and Estonia, most of which are under French influence, has a distinct bearing on Soviet-Japanese relations in the Far East. So long as the Japanese believed they could depend upon European assistance against Russia, they were entirely unrestricted in their military activities in the Far East. But now that there has been a shift in European sentiment the Japanese have become noticeably more careful in their military moves toward the Soviet border. Now the Japanese are bending their efforts to patch up their troubles with the U.S.S.R. and according to report, Mr. Matsuoka, Japan's delegate to Geneva has been instructed to stop over in Moscow for a conference with Karakhan.

The success of the Soviets both politically and economically in recent months was commented on somewhat sarcastically by the Paris correspondent of the *Journal de Geneve* of September 17. The correspondent alleged that Mr. Herriot is a friend of the Soviets and had shown his Bolshevik leanings before French educators. The recent signing by France of a contract with the Soviets for oil for the French navy was viewed by the correspondent as a lack of aid to Rumania, which is a considerable producer of oil.

Japan Wins New Postponement of League Meeting

Owing to the delay of Japan's reply to the Lytton report, the consideration of the Report by the Council of the League of Nations has been postponed until November 21, and the Committee of Nineteen will therefore probably not reassemble before the beginning of December.

JUST A LITTLE MATTER OF SMOKE

NOTHING could better illustrate the Peck-sniffian attitude of the little clique that governs the destinies of the Foreign Settlement of Shanghai than the attitude of the Municipal authorities on the matter of smoke. The buses of the China General Omnibus Company are notorious in that they constantly emit from their exhausts heavy discharges of black smoke, this being due to the fact that the motors of their buses were changed over about a year ago from equipment using gasoline to carburetors and other suitable paraphernalia to burn what is known as "Solar" oil, which is a slightly refined crude oil. The use of such oil results in a very considerable economy of operation, but any person coming anywhere near the rear of one of these buses is almost suffocated with the thick, noxious smoke which is poured out from the exhaust. Many a woman in Shanghai has had her expensive dress ruined because of this fact. Contrasted with this state of affairs it is a fact that owners of private cars are being spied on by the sleuths of the traffic squad to discover whether either because of too much oil or for other reasons their cars discharge any black smoke. The Municipal Police have printed forms and use them frequently to point out to such private owners that the emission of black smoke is a breach of this or that traffic regulation. One wonders whether or not any such notices are ever sent to the China General Omnibus Co., whose buses continually fill the streets with smoke in a way that no private car could be capable of even with the worst possible maladjustment of its combustion apparatus. Probably not, due to the fact that H. E. Arnhold, who is the governing director of the firm of Arnhold & Co., who are general managers for the China General Omnibus Co., is a member of the Municipal Council, in which august body he holds the position of Vice Chairman.

CHINA'S OUTSTANDING PROBLEM--- THE SUPPRESSION OF THE "REDS"

THERE can be no question about it but that the Communist and bandit menace is the most important thing before the National Government of China at the present time. On the whole the Government troops are making progress, but there are certain districts in which the Communists have become more threatening than ever. According to a *United Press* telegram from Hankow Oct. 31 the most formidable "Red" army ever assembled in China had launched simultaneous drives against Shensi and Kansu in an effort to establish direct contact with Soviet Russia and assure themselves of a source of munitions and supplies. Several days previously the so-called "Second Army" of the Communist forces, commanded by Ho Lung, the notorious bandit chieftain, effected a junction with the "Fourth Army" preparatory to their westward drive. Already the combined "Red" force has defeated the 34th and 65th Divisions of the National Government and at last reports was advancing virtually without molestation. Ho Lung's troops have in the meantime arrived at Paokang and Fanghsien in the north-western section of Hupeh, while the other column has captured Tanghsien and Chenping in

Honan, according to the reports received at Hankow.

General Chiang-Kai-shek according to latest advices, is making plans for the removal of bandit suppression headquarters from Hankow to Nanchang, Kiangsi. The communications section already has been moved to Nanchang. Gen. Liu Shih, Chairman of the Honan Provincial Government, will lead the campaign in Hupeh, Honan and Anhwei. In this connection it is stated that General Liu Chien-nien's troops in Shantung will be sent to southern Honan to assist in the campaign against the bandits.

A recent Japanese message from Hankow alleged that an investigation conducted by the Provincial Government of Hupeh showed that the losses suffered by the residents of Hupeh Province due to the activity of the Communist army are enormous, and involved the murder of 350,000 person. The investigations revealed that in addition to the appalling number of murders, looting included \$60,000,000 in cash; crop damages reached \$24,000,000; 98,000 houses were burned and 85,000,000 persons made either homeless or deprived of means to buy food.

A *Reuter* telegram from Foochow, Oct. 28, stated that while the leaders of the 19th Route Army and the Fukien provincial troops are engaged in "a family quarrel," the Communist forces are taking advantage of the scanty outposts maintained along the Kiangsi-Fukien border and are more active than ever. According to the latest reports the town of Chiangyeu was captured last week by the Communists who are now menacing Kienning, which is expected to fall to the "Reds" at any moment, while hordes of invaders are pouring into the north-western part of Fukien. In the meantime Canton military officials are seeking the co-operation of the 19th Route Army in order to suppress communist activities north of Hsingfeng, Taiyu, Chienman, Lungnan and Tingnan, all of which are Kiangsi towns near the Kwangtung border. These towns were cleared of all Reds through the efforts of the Cantonese forces.

Two hundred Red troops were captured or killed at Kiangchow, in South Kiangsi, last week according to an official report which attributes the success to the forces of General Yu Han-mou, commander of the 1st Army.

The Red menace on Hainan Island is over with the elimination of the main Red strength by a brigade of protective guards, according to a statement issued by the Staff Headquarters in Haihou, a recent message from the *Central Press* stated. The *Central Press* reported that the Reds are really not formidable in that area, as they have only one rifle to every four men, and 400 of them have been killed and 600 captured, many of whom surrendered with their arms. The remnants are isolated in the mountain districts and will probably be annihilated by the end of the year. The Hainan people have been asked to co-operate with the military for the rehabilitation of the areas that had been infested by the Reds.

The *Central Press* also announced that the South-West Censorship Committee will function shortly. It will censor publications and eliminate reactionary and Communist propaganda. Members of this committee have been selected from the Kuomintang South-West Executive Committee, the Provincial Kuomintang, the City

Kuomintang, the Bureau of Public Safety and the Bureau of Social Affairs. The censorship will begin with Canton publications of magazines, newspapers and books in order to wipe out reactionary propaganda. The authorities are taking greater interest in this matter than formerly.

A *Shanghai Times* correspondent from Taining states that the Kiangsi communists under Chu Te have changed the name of their organization from the Red Army and the Soviet Government, to "The United Government of China." Their vicious attacks upon landlords and the slaying of well-to-do citizens continue as usual. Lads carried away captive over a year ago when Pang Te-huai invaded North-west Fukien, are returning to their homes after having crossed into the lines of the National Army during the recent fighting around Nanfeng. They report long days and nights of travel in the service of the Soviets, and all the bitterness and hardships that it is possible for men to endure. Thousands of young men forced into the Red Armies are anxious to escape but unwilling to make the attempt since certain death awaits all who rebel at the hardships and suggest escape. General Chiang Kai-shek carefully examines each fugitive that approaches the government lines, and when convinced that the case is genuine, the young man is given an honorable discharge, signed by the Generalissimo, and sent home. In spite of the many desertions, a rigid system of conscription keeps the Red Armies full to overflowing, and the government garrisons at Nanfeng keep their scouting planes tuned up for instant service.

General Ho Cheng-chun, Director of the Hankow Pacification Headquarters, left for Fancheng, northern Hupeh, by airplane from Hankow Oct. 27. It is understood that he will direct the 4th Army under General Wei Li-huang and the 11th Route Army under General Liu Mou-en in suppressing the "Reds" in northern Hupeh. General Ho's provisional headquarters has been moved to Fancheng from Yokow. During his absence all affairs at the Hankow Pacification Headquarters are to be in charge of General Yang Kuei-i, Chief-of-Staff.

According to General Hsu Yuan-chuan the Hung Hu (Lake) region and along the Han River have been completely cleared of the brigands. Rehabilitation measures have been introduced and militia and anti-Red Volunteer corps have been organized to assist the Government troops in maintaining local peace and order.

A telegram from General Hsu Ting-yao, Commander of the 4th Division, states that while searching for the remnant bandits at Yushan and Pingchuyuan, his units found 1,000 rifles. No sign of bandits were found in the mountains within a 70 li radius of Chinchichai, on the Anhwei-Honan border, he reported.

Reporting on the bandit-suppression campaign in Fukien, General Chiang Kwang-nai, Director of the Foochow Pacification Headquarters, in a telegram to the Military Affairs Commission Nov. 1 stated that one brigade under Major-General Chang Yen attached to the 61st Division under General Mao Wei-shou has been despatched to northern Fukien from Chuanchow to check the activities of the "Reds". The garrisons vacated by Major-General Chang's units have been taken over by the Reserve Brigade under Major-General Tan Chi-hsiu. He further reported that the "Reds" under Chu Te who were fleeing from Kiangsi to northern Fukien have been repulsed by the units under General Liu Ho-ting and have been forced to return to Kiangsi. The Kiangsi and Kwangtung authorities have been requested to join in rounding up these remnant outlaws.

In the meantime incidents connected with foreigners in various parts of the country are still being investigated. Reports were current during the past week that the Rev. Bert Nelson, the American missionary who was captured by Communist bandits in October, 1930, in Central

China had been murdered, but later information was to the effect that so far as could be ascertained Mr. Nelson was still alive. The bandits have at various times made extravagant demands as conditions for his release. They have in the meantime utilized his services as a teacher of English.

Chiang Kai-shek to Lead Anti-Red Drive

General Chiang Kai-shek was expected to return to Hankow from Changsha end of this week and from there proceed to Nanchang in Kiangsi personally to direct bandit suppression operations in that province.

General Liu Shih, chairman of the Honan provincial government, is being entrusted with the task of cleaning up the remnants of bandit forces in Hupeh, Anhui and Honan Provinces.

Foreigners Advised to Depart from Yenping

While military commanders were preparing a strong defense against bandits along a line extending southward from Pucheng through Kienyang, Sunchang and Shansien to Yungan, in Fukien Government officials at Foochow during the week advised foreign consuls to evacuate their nationals from the Yenping area. Most of the foreigners in the troubled area are missionaries. Bandit troops had captured the cities of Tsianglo and Shaowu, about 50 miles north of Yenping, reports said, and were advancing on Yenping. Government troops and a naval landing force which have been stationed near the coast have been ordered to proceed to the defense line.

Roads as a Help in Fighting Bandits

A Highway Conference was convened in Hankow November 1. Representatives of the Honan, Hupeh, Anhwei and Kiangsi Provincial Government participated. The conference was called for the purpose of framing plans for the completion of various arterial roads in the four provinces where "Red" banditry has been most prevalent.

Citizens' Corps in Kwangsi and Kwangtung

In the southern provinces of Kwangsi and Kwangtung, the organization of Citizens' Corps goes on apace. This is a modified form of conscription. In Kwangsi 300,000 youths are being trained annually as potential soldiers. Now, with the introduction of the scheme into Kwangtung the authorities at Canton hope to be able to organize in a few years a huge people's army which at all times will be able to protect all districts against communists or bandits and who will be available as full soldiers in times of national emergency. Each district will do something towards the upkeep of its section of the citizens' corps and this will enable Kwangtung to cut down its enormous standing army to reasonable proportions and thus lessen the great financial burden on the provincial treasury.

The province will be divided into five districts in each of which there will be nine corps, each under a district commander responsible to a provincial commander in chief. General Chen Chi-tang will be that commander-in-chief, with Canton as his headquarters. When the organization is complete the bandit suppression corps and headquarters will be abolished.

Three Girls Among 25 Alleged Communists Executed in Canton

Twenty-five executions were carried out at Canton, on October 31, of prisoners, who were all of tender years. They were all described as belonging to the Communist Youths' Corps. They were recently captured by the 2nd division in the East River District. Three girls were among those executed.

Japanese Imprison 182 Communists

Ten Japanese communists were heavily sentenced at Tokyo October 29 for participating in communist activities. One of them, Gaku Sano, who was arrested in Shanghai three years ago, was sentenced to life imprisonment. Three others got life imprisonment and six others were given terms ranging from 10 to 15 years.

Altogether 182 Communists were sentenced at the conclusion of a long-drawn-out trial resulting from a round-up of Communists which started four years ago.

In addition to those mentioned above the sentences for the others ranged from two to nine years.

In delivering judgment, the judge explained that the Japanese Communist party was a branch of the Third International and the accused members had been carrying on a revolutionary struggle aiming at the establishment of a dictatorship of the proletariat.

Ex-Service Men to Help to Hold the People at the Bottom Down

A *Rengo* message from Tokyo, October 27, stated that in view of the social unrest now prevailing in Japan, plans are under way to organize a so-called "local police body," with ex-service men and ex-policemen as its members for the purpose of giving prompt assistance to the police authorities in case of emergency.

The Home Office authorities are stated to be in favor of the proposal. The Home Minister will probably be

installed as the head of the organization. According to an estimate made by the police authorities some 150,000 persons will be enlisted as members throughout the country.

Chinese Arrest Two Britishers Who Injured Farmers

Two British subjects named Marden and Martin, who accidentally wounded two Chinese, while pheasant shooting near Pingliu, about 60 miles from Shanghai, during the last week end, were set on by the enraged populace and later imprisoned by the local authorities. A British Vice Consul has proceeded to the scene to investigate the matter.

Franco-Japanese-Russian Politics and Some Recent League Manifestations

THE recent alleged change in French attitude, leaning somewhat more toward Russia than previously, has caused considerable anxiety in Tokyo where the French previously were regarded as firm supporters of Japan in the Far East. Whether there actually has been any shift in the French attitude toward Japan's military adventures on the Asiatic continent, cannot be stated, but reports to this effect have caused recent animated discussion in Tokyo journals, the writers and correspondents maintaining that France is still friendly to Japan and will support Japan when the Manchurian question comes up for discussion at the forthcoming sessions of the League Council and Assembly. The French *Havas* news service on Oct. 27 circulated in the Far East a dispatch from Geneva declaring that the Japanese are more "pro-Soviet" than are the Chinese. Quoting from a leading article in the *Journal de Geneva* on Oct. 26, which was headed, "Is Japan an Enemy of the Soviets?" the article in the Geneva newspaper called attention to the fact that while the Japanese are trying to win European support on the score of their Manchurian activities as being directed against the rising tide of Bolshevism, the Japanese are at the same time conducting secret conversations with Soviet diplomats in an effort to reach an understanding in the Far East. Said the Geneva paper,

"Japanese agents are anxious to make us believe in Europe that Japan is in the Far East a rampart of law and order against Communism. It is against a China becoming bolshevized that Japan is warring, they say. If they took Manchuria, it was only to prevent the irresistible advance of Bolshevism and Europe must be grateful.

"This whole picture is false. It is not true that the Chinese Government is in sympathy with Communism. It fights Communism with armed force. Furthermore, Japan has an ambassador at Moscow, China has not.

"It is not true that there is any Russian influence over Nanking, diplomatic relations between the Chinese and Russian Governments having been broken several years ago. It is not true that the Japanese aggression is of a nature to exterminate Communism in China.

"To the contrary, it favors it in increasing the dissatisfaction of the people and in paralysing the government who fights it. It is not true, finally, that the relations between the Russian and Japanese governments are dominated by hostility."

Japanese writers in Japan as well as correspondents of Japanese newspapers stationed in

European capitals, insist that while France must support the League Covenant to the full because of her relations with Germany, French friendly policy toward Japan remains intact. Toshio Eito, correspondent in Paris for the *Osaka Mainichi* on Oct. 17 wrote,

French policy remains the same as before the publication of the Lytton report: there is no change in France's friendly attitude toward Japan. This is based on the consideration that there is no advantage whatever for France in provoking Japan's indignation, and the conclusion is "non-interference with Japanese action in Manchuria."

Not Manchuria, but the welfare of French Indo-China is what the French people feel the greatest concern about, as the reds are making their influence felt in the French colony. Should China fall a victim to the reds' activities, it is a foregone conclusion that French Indo-China would also be affected at once. But as long as Japan maintains Manchuria invulnerable to communism, the French Government can remain assured of French Indo-China's safety. This is the trend of French thought.

Next, the French people recognise the necessity of Japanese expansion abroad, the Japanese mission for the preservation of peace and order in the Orient, and hence the stabilization of Japan's position in realization of the supreme aim.

The reason why the French people advocate the maintenance of the *status quo* and defend the League Covenant is nothing but a move to check the German development which they look upon as detrimental to their security. The Far Eastern question is, therefore, dealt with from an entirely different standpoint.

Regarding America's efforts to induce France to side with her against Japan, the French people are of the opinion that they are under no particular obligation to aid the United States. They believe that they were relieved of the war debt payment to the United States from the very moment Germany was virtually exempted from reparations obligations at the Lausanne Conference.

The French people no longer follow American leadership for the sake of the war debts alone.

Despite these assurances and Japan's claim she is fighting against the advance of communism in the Far East, the Tokyo Foreign Office on the other hand apparently is bending every possible effort to reach an understanding with Moscow. A *Rengo* dispatch from Vladivostok which appeared in the *Japan Chronicle* on Oct. 27 quoted Mr. Matsuoka, Japan's chief delegate to the Geneva meeting as stating his intention of stopping over in Moscow for a discussion of outstanding problems between Japan and the U. S. S. R. with Leo Karakhan, assistant commissar

of foreign affairs. The dispatch quoted Mr. Matsuoka as expressing confidence that the relations of Japan and Russia and Manchukuo would be adjusted as a result of these conversations and furthermore that the way would be paved for Russian recognition of Manchukuo and the conclusion of non-aggression pacts among the three countries. The Japanese newspaper, *Jiji* in a further comment stated that the Russo-Japanese conversations would be considerably broader in scope than covered in the Manchurian issue; that other matters would include the unsettled fisheries problem, control of red propaganda in the Far East, delineation of boundaries between Siberia and Manchukuo, and finally, Japan's purchase of the previously Soviet-controlled Chinese Eastern Railway which was built through Chinese territory with Czarist money. These prompted the London *Daily Telegraph* to suggest that in the event the Japanese are successful they then will turn their attention to the United States, hoping in this manner to also bring America into line on the Manchurian issue. It was stated that the Japanese already are dangling the bait of large construction contracts in Manchukuo as a bid for American recognition of Manchukuo.

However, there have been no indications of a change of heart on the part of the United States, rather the contrary for on Oct. 18 Dr. Stanley K. Hornbeck, chief of the Division of Far Eastern Affairs of the State Department, severely criticised Japan's activities in Manchuria which he designated as "dangerous to the machinery for the maintenance of world peace." Speaking before the Institute of International Affairs of Williams College, Williamsburg, Virginia, Dr. Hornbeck stated his opinion that Japan's activities constituted a breach of the peace which has given leaders of the world "legal and factual concern in the whole peace problem." The remainder of the dispatch which appeared in the *Japan Advertiser* on Oct. 20 was as follows,

"The resort to force, in itself, raises the question of the commitments of the nations which signed the multilateral treaties, such as the Kellogg Pact," Mr. Hornbeck said.

"The whole Far Eastern situation constitutes a breach of world peace and such being the case the situation, both in law and in fact, is a matter for the inevitable and rightful concern of the whole community of nations."

As result of lessons learned from the World War, the diplomat said, some nations, at least, have been convinced that the cost of war is out of all proportion to any gains that may be derived therefrom. "Such nations feel the time has come when all nations must, for their individual and collective security, realize that there exists a general concern in which it is the right of the whole group—and therefore of any of the member nations—to object to disturbances of the peace and above all to exert themselves to prevent war. The right to try to prevent wars is inherent in every government."

Mr. Hornbeck asserted the actions of the government of the United States anent the current situation in the Far East are in strict alignment with the traditional policies favored by the American people. American interpretation of the post war multilateral accords also are in line with traditional United States' policy.

Mr. Hornbeck referred to Secretary of State Henry L. Stimson's recent statement about the Nine-Power Treaty (which was designed to protect the

territorial integrity of China) as designed to maintain the Chinese Republic during its development to a position of stability. At the same time the Treaty was intended to protect the just rights of the Powers in China.

He said this same policy was extended for Japan "before Japan attained her full majority as a strong Power in the family of nations. The Government of the United States believes that a due regard for the spirit or the letter of the Nine-Power Treaty should go far towards safeguarding the rightful interests in the Far East of all the nations which signed the Nine-Power agreement and in fact to all the nations concerned in the Far Eastern situation."

Secretary of State, Col. Henry L. Stimson, also has made some further statements pertaining to American policy both on the Manchurian issue and the question of arms limitation, the following report of an address at Pittsburgh, Pa., being from the *Japan Chronicle* for Oct. 28,

Remarking that "the first step towards law and order is always to get hold of the pistols," the Secretary of State said that that was the object of disarmament efforts which sought to stop rivalry and remove the suspicion and ill-will which led to outbreaks.

Colonel Stimson said that the success of Great Britain, the United States and Japan in reaching agreement in the London Naval Treaty leads to hope and encouragement for the success of the General Disarmament Conference at Geneva. He added, "This is a much more gigantic problem because it includes all nations of the world with all their different problem, relations, rivalry and suspicions as well as all the classes of weapons with which they may fight."

Colonel Stimson described the Briand Pact, which renounces war as an instrument of national policy and agrees to peaceful settlement of all disputes, as a "great treaty and a great simple concept which carries with it the chief hopes of the world for a new and better era."

Reviewing the action of the United States Government since that time in bringing into action the League Covenant and the Kellogg-Briand Pact Colonel Stimson continued, "we have made it clear that in our opinion the declaration in the treaty carries with it a duty whose performance, we have made it clear, necessarily alters the whole attitude of the world towards war: that whereas during the centuries hitherto war has been one of the functions of government giving rise to legal rights and obligations, hereafter, among the signers of this treaty, war will be an illegal thing—a disease instead of a normal function." A breach of peace between nations was nobody's business but their own in the past but, Colonel Stimson said, "now, under the treaty, it becomes the rightful concern of the whole world."

Colonel Stimson added: "This would be so wherever a breach of it would be threatened by approaching hostilities. It implies a duty of consultation among other parties in order that public opinion may be mobilised against impending disaster."

He said that the sanctity of treaties had been strengthened by the attitude of the American Government towards the Kellogg-Briand Pact and added, "If, when the trouble broke out in Manchuria, we had turned away our heads irreparable damage would have been done not only to the Kellogg Pact but to every other one of the peace treaties of the world but when United States showed that the sanctity of the Kellogg Treaty was its keen interest and when our view was followed by the rest of the world new breath of vigour and life was infused into all such treaties and their obligations."

Colonel Stimson opined that a reign of peace would come eventually and that nations would cease fighting as individual men had done.

He concluded, "We know that all such development of human organisations is extremely slow, as may be realised from the fact that it took centuries to eliminate ordeal by battle for the settlement of individual quarrels between men, but we are confident that some progress is on the way among the nations and that it will eventually arrive."

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In addition to these statements there also have been some interesting declarations in various quarters which are significant in their indication of the trend of public opinion over the world with respect to the Lytton Report. Sir Frederick Whyte, formerly political adviser to the National Government of China, in an interview which appeared in the *Manchester Guardian* on Oct. 4 referred critically to Great Britain's apparent reluctance to follow in the footsteps of the United States on the Manchurian issue, a subject which is discussed in another article which appears in this issue of *The Review*. The following paragraphs are from the interview in *The Guardian*,

Lord Lytton and his colleagues have done a difficult task well. They have given a comprehensive view of the Manchurian problem, and, while refraining from explicit censure of either party, it is clear that they have envisaged the dispute as arising fundamentally from the internal disorder of China. Implicit in their whole argument is the thesis that while radical reform is needed in China itself, the course pursued by Japan is a violation of international obligations and may even be regarded as shortsighted in her own interest. In a sense it may be said that the substance of the Lytton Report is a plea for reconsideration of Japanese policy.

The ten points laid down in the report as the appropriate principles of political action cover the whole field, and while it might seem that some of them are academic, none the less it was essential that they should be clearly stated as the preamble to any international plans which may be found possible. The crux of the problem now lies in the fact that the deliberate recognition of Manchukuo by Japan forestalled any possible action by the League.

An Opportunity Missed

The problem, therefore, before the member States of the League and the U.S.A. is to find means to reinforce in Tokio Lord Lytton's plea for second thoughts in Japan. I have always believed that wholehearted co-operation between England and the U.S.A. to maintain the new system of international co-operation set up under the Covenant, and specifically under the Washington Treaty, would have made Japan see that the Manchurian issue must necessarily have world-wide reverberations. Unfortunately, the British Government has shown a distinct reluctance to walk boldly in step with Washington, and consequently the united front of persuasive firmness which a true Anglo-American understanding might have presented has never been realised. I am convinced that a definite attitude of this kind at any of the early stages of Japanese action in Manchuria since September, 1931, would have compelled the Japanese military party to take a more serious view of the consequences of its own policy.

As Mr. Osaki, the former Japanese Minister, said in the "Nineteenth Century," "one year of wait-and-see was long enough for Japan to consolidate her position." The question now is whether she has dug herself so deeply into Manchuria that nothing but force will dislodge her. I am not so pessimistic as that hint suggests. I believe that the Japanese will discover before long that the isolation in which she has placed herself is too dangerous—that she cannot afford to provoke Russia, to flout the U.S.A., and to ignore the League all at the same time.

Meanwhile the Manchurian military problem alone is proving tougher than she expected. The attitude of the local population in Manchuria during the last two months proves the Lytton Commission's estimate of their temper to be correct, and shows that Japan has under taken a costly task.

We do not yet know what is the Chinese reaction to the Lytton proposal, but I anticipate that though there are features in the report which many Chinese will dislike the Chinese Government will probably accept them as the lesser of two evils. China knows that she cannot expect the League or anyone else to pull the Manchurian chestnut out of the fire for her,

but she would probably regard the transitional Constitution sketched by the Lytton Commission as a substantial guarantee to her sovereignty. The Chinese already know that co-operation with the League can be very useful to them. They may suspect that a design of international intervention of the old kind lurks in Lord Lytton's tenth point—international co-operation with China. But if its purpose is carried out in the manner in which the expert missions of the League have already discharged their functions in internal Chinese reform, that suspicion will easily be laid to rest.

Meanwhile it is clearer every day that no Chinese Government will be allowed by its public opinion to recognise the puppet Government in Manchuria, and it is probable that the insurgents against Manchukuo have been and will be supported by arms and money from China within the Great Wall.

Fundamentally Lord Lytton is right in saying that the true road to peace and order in the Far East lies through domestic reform in China, and part of the case against Japanese policy is that it may give a new lease of life to militarism in China and divert the national energies of the Chinese from the vital task of their own regeneration.

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Also of considerable significance was a statement by Prof. A. Zimmern, head of the department of International Relations at Oxford, the following report being reproduced from the *Japan Chronicle* for Oct. 15,

An attempt to govern a huge country in this age of gathering nationalism against the wishes of the inhabitants is foredoomed to failure, the writer says. He recognises that Japan is wealthier and more powerful since the Treaty of Portsmouth but asks, "has her social and economic structure gained in strength and solidity and is she finding it any easier to harmonise her ancestral system with the economic necessities and intellectual movements of today?"

Other striking passages in Professor Zimmern's article say:—

"It is difficult to believe that the rulers of Japan, who have a better record for prudence than most great powers, will not retrace their steps before it is too late."

"The Report provides an honorable way from their present impasse."

"Japan's situation at Geneva has been anomalous—to use no stronger expression—for the last twelve months. If then, they do not retrace their steps it will be intolerable—and untenable—and the association of the British Commonwealth and the United States in the Pacific would be become plainly apparent. The English-speaking peoples dislike discussing sanctions but faced with a definite emergency they have a way of discovering that the resources of civilisation are not exhausted."

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Lord Lytton, chairman of the League Commission which investigated the Manchurian crisis returned to England early in October and since that time has delivered several addresses dealing with the work of the Commission. The following summary of an article on the subject which he contributed to the *London Spectator*, was issued by *Reuters* service,

"We completed our work with the knowledge that the League of Nations was not really as ignorant of the facts as the wording of our instructions seemed to imply, and in the belief that the League wished us to help it restore peace and make possible the good understanding on which peace could be based.

"Let this be remembered by those who suggest that our Report is idealistic rather than practical.

"We never expected the Report to evoke any enthusiasm either in China or Japan," he continues "nor did we believe that a permanent solution to the Manchurian problem could be achieved immediately. What we did believe unanimously was that a solution could be found within the framework of collective responsibility for the maintenance of peace throughout the world."

"The fact that Japan alone recognised Manchukuo strengthens rather than weakens the Report. This step therefore, need in no way diminish the confidence with which the delegates of the forthcoming Assembly of the League should approach their task.

Faith and Determination

"Faith in the principles of the League and determination is all that is required to be applied to this dispute from the delegates. It is important that a beginning should be made immediately; that the league should unanimously affirm principles which should be applicable to any settlement and to define the procedure by which details should be discussed."

Lord Lytton deprecates the suggestion that the Commission found Japan guilty. He emphasised that the case was still subjudice before the League where both China and Japan were entitled to be heard.

In controverting the argument that the Commission had failed in their Report to observe the realities of the dispute, Lord Lytton claims that the existence of the League, the Kellogg Pact and the Nine-Power Pact are equally realities which cannot be ignored.

To bear in mind the mutual obligations which the States have contracted and to insist upon respect for the machinery of peace which has been established at such colossal sacrifice—this is not unpractical idealism but the starkest realism.

He concluded: "We recorded Japan's views on Manchuria, but we considered it our duty to remind the Japanese Foreign Minister that there was something for which other nations had made even greater sacrifices than Japan had for Manchuria, something which these nations were equally determined to defend, namely, the organisation of the League of Nations, which is the life line of modern civilization."

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As is now generally known the real investigation work which produced the so-called Lytton Report was done by a group of experts on the Far East who explored the various questions and reported to the Commission which based its report on their findings. One of these experts was Dr. C. Walter Young, an American who has written several books on the Manchurian question. Sometime ago *The Review* reprinted a statement from a Chinese professor who alleged that many of Dr. Young's findings were more on the Japanese rather than the Chinese side. Now it is of some significance to read in the *Japan Advertiser* that the Japanese Foreign Office has "severely attacked" Dr. Young, charging him with being "anti-Japanese and in the pay of the Chinese Government." The Japanese Foreign Office, according to the account in *The Advertiser* had reached this conclusion by comparing passages in Dr. Young's recent books with passages which appeared in the Lytton Report, "thus proving conclusively that Dr. Young had a hand in the preparation of the Lytton findings. It might be stated in this connection that Dr. Young had no connection whatever with the Chinese Government, since he was in Manchuria investigating conditions on behalf of the "Institute of World Affairs" an organization devoted to study of international affairs which is financed by Charles R. Crane, former American Minister to China. The Japanese also have strongly criticised Dr. A. D. A. de Kat Angelino, of the Dutch East Indies Government who assisted the Commission. The Japanese charged that he collected numerous letters from Chinese citizens in Manchuria which criticised Japanese military and political activities, the said letters, in Japanese opinion, having much to do in influencing the commission on the Manchurian issue. Also of interest was a *Havas* message

from Berlin on Oct. 26 which quoted Dr. Heinrich Schnee, the German member of the Commission to the effect that Japan's recognition of Manchukuo in the period intervening between the conclusion of the Lytton Report and its publication had "rendered impossible any settlement of the Manchurian problem along the lines urged by Commission. Dr. Schnee was quoted as saying, "China is not disposed to renounce her sovereignty over the Three Eastern Provinces; furthermore, a peaceful and durable solution of this question is impossible unless the two great peoples of the Far East come to an understanding on the basis of the Commission's suggestion."

Modern day Manchuria was created by the common efforts of China and Japan. China furnished the major part of the population of Manchuria and Japan contributed to its development by her organization, the railways and capital investments. For the future the co-operation of these two countries is absolutely necessary."

Civil Wars in Shantung and Szechuan Near Close

Reports from both Shantung and Szechuan during the week were of a more reassuring nature. Shantung at last reports was absolutely quiet.

A complete settlement of the Shantung hostilities was confirmed by General Ho Ying-ching, Minister of War, in an interview at Nanking Nov. 1, when he declared that General Han Fu-chu had agreed to withdraw his troops to the west of the Wei river before November 8. In connection with the agreement for the cessation of hostilities between the troops of General Liu Chien-nien and those of General Han Fu-chu, the North-eastern Fleet Commander at Tsingtao had decided to take over Chefoo on November 4, taking the place under his control. The future of General Liu himself is uncertain but according to a telegram from Nanking November 1, the Government intends to send General Liu Chen-nien's troops to southern Honan to replace General Ma Hung-wei's forces in the present campaign against bandits. General Ma's forces will be sent to Eastern Shantung. This removal of General Liu's army from Shantung is expected to complete the settlement of the dispute between General Han Fu-chu and General Liu Chen-nien.

Chengtzu War Lord Retreats

General Liu Wen-hui, the Chengtu warlord, end of last week issued an order for a general retreat all along the line from Yungchuan to Tahtsoh. His troops are falling back to their second line of defense near Hokiang and his headquarters are being established at Loohsien.

General Yang Sen has been named Field Marshal of the allied forces in northern Szechuan to direct the campaign launched at Chienyang against the left flank of General Liu Wen-hui's forces. General Liu Hsiang is directing the allied advance towards Tungnan and Kiangtsin.

In reports to his local representatives, General Liu Hsiang claims smashing victories over General Liu Wen-hui's forces along the northern banks of the Yangtze. Air forces helped the Chungking army to repulse a bigger force stationed at Kiangtsin, he stated in his telegram.

Anticipating an early and successful conclusion of the campaign against General Liu Wen-hui, the Szechuan warlords are making preparations to call a conference in Suining to formulate rehabilitation measures for the reorganization of the military and political administrations in the province. Allied army leaders have voiced their support for the conference, planned apparently to exclude any efforts by the Nanking authorities designed to reinstate General Liu Wen-hui in the new division of the province.

Yen Slumps While Japan's Militarists Dream of Glory

THE outstanding feature of Japan's financial situation is that the exchange value of the Yen has dropped to the lowest point ever reached. On November 1 the Yen was quoted at G.\$0.21 as against its normal value of just under half an American dollar. In other words the Yen is at a discount of sixty per cent. Various reasons, such as the purchases of raw cotton and wool and speculation on the Shanghai market, are given as the reason for the drop, but the evident reason is the steadily decreasing confidence of the financial world in Japan's financial stability. Yet, despite the fact that the country is on the brink of financial disaster, the heads of the Army and Navy Departments, with insane visions of furthering the glory of Dai Nippon and her Imperial Emperor, are pressing for the appropriation of enormous sums to finance their mad adventures. Telegrams from Tokyo Nov. 1 stated that the Navy Department was seeking sanction for the building during the next four years of: Two 8,500 ton cruisers, one 8,000 ton aircraft-carrier, seven destroyers, six submarines, one 5,000-ton mine layer, several minesweepers and torpedo-boats, and five additional air squadrons. The new program will involve a total expenditure of Yen 460,000,000, of which about three-fourths is for the construction of warships and the remaining one-fourth for the proposed new air squadrons. The Navy Department is now negotiating for appropriations to cover the 1933 budget estimates, which total Yen 487,000,000. Details of Army demands are given later on in this article.

The slump in the value of the Yen has serious repercussions in many directions. It is to be remembered that all of Japan's foreign obligations are on a gold basis and the interest on these has to be met on the basis of gold. This is particularly true of the enormous sums which Japan, both as a nation and as represented by her industrialists, owe to the United States, which is one of the few countries still remaining on a gold basis. At present exchange, for every American dollar due as interest that the Japanese have to pay they must hand over Yen 4.76, instead of, as in normal times, Yen 2.02. This unexpected financial load, on top of the huge military expenditures in Manchuria, coming at a time of intense industrial depression, has caused a wave of discontent in the Japanese populace, the true extent of which the outside world little realizes, but which such incidents as the sentencing of close on two hundred malcontents in Japan recently to long terms of imprisonment, under the euphemism that they were Communists, gives some inkling of.

According to a survey made by a Japanese bank, details of which are given by the *Osaka Mainichi*, the total amount of Japanese loans floated abroad and outstanding on June 30 this year was Yen 2,195,011,000, calculated on the basis of the parity Yen exchange, and Japan will suffer a Yen 82,985,700 loss in the foreign exchange of the interest payment on these loans for the one year period, July 1 this year up to June 30 next year, compared with the pre-gold embargo Yen exchange.

The total amount of the Japanese loans floated abroad includes: national bonds Yen 1,464,656,000; municipal bonds, Yen 234,390,000; and debentures, Yen 495,965,000. Details as to the interest rate are shown in the following table in multiples of Yen 1,000:

Interest	National bonds	Municipal bonds	Debentures
4%	357,842	—	—
4½%	58,578	—	—
5%	281,250	97,867	53,463
5½%	264,463	96,820	82,871
6%	236,128	39,703	238,273
6½%	266,395	—	52,393
7%	—	—	68,965

These values, it is to be noted, were calculated on the basis of the parity Yen exchange.

For the one-year period from July 1 this year up to June 30 next year, Japan will have to pay interest on the Dollar loans \$26,225,672, on the Sterling loans £5,776,259, and on the Franc loans Frs. 20,454,966.

The Dollar interest payments for the year amount to Yen 109,845,300; Sterling interest payments require Yen 84,008,300. The Franc interest payments Yen 7,928,200. Compared with the pre-gold embargo period, when the Yen-Dollar exchange rate was \$49% per Yen 100 and the Yen-Sterling rate was about £10 per Yen 100, the Dollar interest payments are larger by Yen 56,730,000 and the Sterling interest payments are also bigger by about Yen 26,255,700, hence the total loss to Japan is Yen 82,985,700. The above figures were based on an exchange rate of G.0.23%. Now that the Yen has dropped to G.0.21 the amounts will be higher. To meet this growing financial load, the Japanese Finance Minister Takahashi is adamant that the necessary money shall be raised by loans, instead of by increased taxation, and so far his views have prevailed. The Bank of Japan is expected to float a national loan to an amount of Yen 200,000,000 during the present month. This sum is a part of a total loan of Yen 607,000,000, which the Bank of Japan is expected to undertake. The proceeds of the loan, it is stated, will be appropriated for military purposes and the relief of the depressed agricultural villages. The flotation of these loans will inevitably result in still further inflation, that is in still further drops in the exchange value of the Yen.

In the meantime the Japanese Ministry of Finance is wrestling heroically with the matter of fixing upon a budget for the coming fiscal year. According to present estimates the total of the budget for the next fiscal year is approximately Yen 2,170,000,000, including Yen 600,000,000 for new enterprises. The original estimates demanded by the various ministries for fresh enterprises totalled approximately Yen 1,200,000,000, but the amount was cut about 50 per cent by the Finance Ministry. The estimates for the new enterprises, which are said to have been passed by the Finance Ministry for inclusion in the budget for next year, include the following items:

Appropriations for the emergency relief measures	Yen 230,000,000
Appropriations for the Manchurian Incident	120,000,000
Appropriations for the improvement of military equipment	80,000,000
Appropriations for the strengthening of naval defence	140,000,000
Appropriations for other new enterprises	30,000,000
Total	Yen 600,000,000

The indications are that despite the perilous financial solution of the country, the Army and Navy Departments will insist on the carrying out of their plans. War Minister General Araki called on Finance Minister Takahashi at the latter's official residence October 26 and the telegrams from Tokyo intimate that the War Minister emphasized the unavoidable necessity of the appropriation for the completion of arms and military arrangements in Manchukuo. The Finance Minister, it is stated insisted that the

present condition of the treasury is such that the War Ministry's demands could not be recognized in full.

Mr. Takahashi in his stand against additional taxation as opposed to a loan policy has expressed the opinion that it is "senseless to demoralize the public by small tax increases at the present time." At a meeting of the Cabinet Council Oct. 25 Mr. Takahashi said that although the present taxation system of Japan calls for reform, this is not an opportune time for undertaking its revision. Higher taxation, he said, is impossible as it conflicts with the low interest policy of the Government. The tax revenue for the present fiscal year, he pointed out, showed a decline of about Yen 200,000,000 compared with 1927-1928 and 1928-1929. General Araki, the War Minister once more pressed for higher taxation, but for the time being was unable to carry his fellow members in the Cabinet with him.

Manchukuo---Question of an Economic Bloc with Japan

THAT the military occupation of Manchuria and the creation of the Manchukuo puppet state have created a number of new and baffling problems for Japan is indicated in reports pertaining to plans for the future development of China's former northeastern provinces. Although Japan's chief interest at present is concerned with the forthcoming League consideration of the Manchurian issue, the second most important question is what to do with the Manchurian baby now that the Imperial Japanese Army has placed it on the Empire's doorstep. Assuming that Japan is going to keep Manchukuo under her protecting wing, and the present military-controlled Tokyo government is proceeding on that hypothesis regardless of any action by Geneva, it naturally follows that a decision must be made regarding Manchurian development. In this respect there appear to be two more or less clearly defined views on the matter of creating an economic bloc of Japan and Manchukuo. According to a recent article in the *Tokyo Asahi* a consensus of opinion among leaders in official and non-official circles in Japan is to the effect that,

- "1. Japan and Manchukuo should be formed into a complete economic unit or *bloc*;
- "2. Manchukuo to be a primary producer, while Japan is to be a manufacturer and refiner;
- "3. Manchukuo to supply Japan with raw materials and Japan to supply Manchukuo with finished goods;
- "4. Business enterprises of the two nations to be regulated so as to avoid overlapping and conflict;
- "5. The power of the State to be brought into action for the attainment of these objects as practical questions."

However, opinion is not united on that point for there are many influential Japanese who insist upon an intensive industrial development in Manchuria that would speed up the creation of the Manchukuo "paradise" which the Japanese military authorities have been promising the Japanese people. For example *Rengo* on Oct. 28 told of the arrival in Tokyo of Kyoroku Yamanari, manager of the new central bank which the

Japanese created in Manchukuo, Mr. Yamanari's mission being to speed up the creation of the "economic-bloc" and at the same time arrange for the flotation of Manchukuo bonds in Japan. Also, it was stated that Mr. Tokawa, director of the South Manchuria Railway, was likewise in Tokyo on a somewhat similar mission, his purpose being to explain to the Government the plans of the S. M. R. for the creation of numerous new industries in Manchuria that would be subsidiary to the railway. Among them were a sulphate of ammonia plant equipped to produce 170,000 tons annually and a steel plant capable of turning out 500,000 tons of steel annually. Industrialists in Japan however, do not look kindly upon these schemes, pointing out that the development of manufacturing industries concerned with steel, fertilizer, coal, cotton cloth, lumber and salt would seriously interfere with similar industries in Japan proper. Finance Minister Takahashi was also quoted as expressing a fear that the creation of a gigantic organ designed to cement the economic relations of Japan and Manchukuo might create international misunderstanding. Generally the opinion was that Manchukuo should be preserved as a sort of nation of primitive "coolie" industry capable of supplying raw materials to Japan and Japan in turn to be made a "refined industry" nation to supply manufactured goods to Manchukuo. One of the Japanese magazines, *The Oriental Economist* published a rather sarcastic article dealing with the squabbles of the industrialists and commercial adventurers, declaring,

What with General Muto dominating it as a sort of military and diplomatic guardian from the outside, and a swarm of Japanese officials poking their noses into everything on the inside and all the talk going on about the economic coordination of Japan and Manchukuo, whatever that may mean, the Manchukuo Government can hardly be expected to feel assured of its position despite all that is said about self-determination and recognition.

Manchukuo certainly is a State which has come into being by an exceedingly unnatural process as a result of the Manchurian affair which began in Sep-

tember last year. But should Japan face the new State with a just policy and just attitude hereafter, the "unnatural process" will be forgotten with the lapse of time and the fear that is now felt that international complications may arise from it will happily prove unfounded. What, then, is the just policy that should be pursued by Japan towards Manchukuo? It is fully to recognise Manchukuo as the independent nation it is formally proclaimed and recognised to be. To this end it is necessary that the Japanese officials in the employment of Manchukuo should become as devoted to the new State as if they were its born subjects and refrain from offering useless interference or advancing selfish demands. It is a matter of course that Japan should continue on most neighborly terms with Manchukuo and lend it friendly assistance in every way, but before everything else it is essential to recognise the full independence of the new State to the elimination of all arbitrary orders, demands and interference. The reason why this point is to be particularly emphasised is that both among the authorities and people of this country a tendency to the contrary is pretty strong.

Mr. Takahashi, Japan's finance minister whose efforts to supply the funds for the Manchurian adventure have been referred to frequently in these columns of *The Review*, seems to be taking a saner view of the Manchurian development problem. In an interview appearing in the *Japan Chronicle* he expressed a complete lack of faith in the proposal for setting up a new organ for the promotion of economic coordination of Japan and Manchukuo. The most important thing for Japan, the Finance Minister declared, was to observe most faithfully what Japan had hitherto openly declared to the world. The public pronouncements so far made public, in his opinion, were fair and aboveboard and Japan has only to live up to them. A guard must be kept against planning too much for Manchukuo in the hasty belief that Japan can do whatever she likes in Manchuria. It must constantly be kept in mind that Manchukuo is an "independent state pure and simple." If Japan should ever do things in Manchuria against this essential consideration, she might lose the faith of all countries. The hardest part of the Manchurian problem is yet to come and to this end Mr. Takahashi warned the Japanese Government and people against doing anything which betrayed Japan's official pronouncements to the world.

The crux of the problem seems to be that the Japanese military authorities who were responsible for the occupation of Manchuria and the creation of the "independent" Manchukuo state promised too much. In order to get the united support of the Japanese people the military promised the immediate creation of a "paradise" that would relieve distress among the masses in Japan proper. This was to be accomplished in two ways, first Manchuria was to be opened up as a field for unlimited settlement of people from the overcrowded sections of Japan proper and second, Manchurian wealth would immediately make Japan rich and all Japanese prosperous. Neither has eventuated. Japanese settlers although heavily subsidized, have failed miserably and in most cases have ended up by joining the Japanese army and fighting bandits. As for the Manchurian riches, they remain locked and buried beneath the soil and instead of contributing to Japan's well-being, it has been the other way around. Japan has been forced to dump more and more of her wealth into the conquest of

Manchuria which appears to be a never-ending process, taxing the bottom-most resources of Japan proper. It even has been suggested that it may shortly become necessary for Japan to export food products to Manchuria due to widespread famine which is prevailing in that country due to the destruction of crops by the bandits and natural calamities. In order to offset further adverse criticism in Japan, the Tokyo war-lords are now talking about an "economic bloc," but as indicated this scheme has not been welcomed by the industrialists of Japan proper who do not fancy competition with Manchukuo industries manned by cheap Chinese labor. Already there is a howl in Japan over the importation into that country of cheap Fushun coal, the Kyushu colliery owners raising such a commotion that the importation of Manchurian coal had to be limited to a million and a half tons.

It has remained however, for Hsieh Chieh-hsieh, the Manchukuo envoy to Japan to make a suggestion for another kind of union between Manchukuo and Japan. Briefly, Mr. Hsieh recommends Japanese brides for Manchukuo officials, that is, for those who are as yet unmarried. In an interview given to the Japanese newspapers while he was in Kyoto, the Manchukuo representative urged the need of marriages between Japanese and Manchukuoans, which, in his opinion, would go a long way towards forging intimacy between the two nations. Never has any Chinese official been entertained in Japan as has been the experience of Hsieh Chieh-hsieh the special envoy from Manchukuo who went to Tokyo announcedly for the purpose of thanking Japan for recognizing Manchukuo. He was received and banqueted by the Emperor and his path has been strewn with roses wherever he went. There seems to be considerable mystery regarding the antecedents of this Manchukuo official. Some Chinese say he once occupied a minor position in the old Peking foreign office during the regime of the Anfu clique. The *Manchuria Daily News*, organ of the South Manchuria Railway, sometime ago printed a story to the effect that Mr. Hsieh was born in Formosa, which if true would make him a Japanese subject. However, all of his pictures which have appeared in the Japanese newspapers recently show him wearing old fashioned Chinese clothes, including the "candle-snuffer" style cap with a button on top. It is quite possible that the Japanese who have charge of Mr. Hsieh's trip and mission think the propaganda effect will be greater if he is presented as a genuine old-fashioned Chinese, or rather, "Manchukuoan."

Japanese Said Plotting Seizure of North China

ACCORDING to a special telegram from Nanking to the *China Press* October 31, the Japanese are alleged to be plotting to seize Shantung and Hopei by military force before March of next year, plans to this end being in preparation by the Japanese Ministry of War. When these moves are consummated it is alleged that the capital of Manchukuo will be removed from Changchun to Peiping. The increase of naval forces along the Yangtze and South China sea ports is interpreted as a move to prevent any punitive campaign against Manchukuo that may be launched by the Nanking government in conjunction with the South-western Political Committee.

Japanese consular officials at Shanghai, Hankow, Amoy and Foochow, it is reported, have been instructed accordingly by the Japanese War Ministry at Tokyo. Meantime, the commander of the Japanese naval forces along the Yangtze has completed an inspection tour of the various river ports including Shasi, Yichang and Chungking with a view to formulating plans for the alleged protection of Chinese trade and commerce along the Yangtze for submission to the Japanese Government at Tokyo.

In the meantime also the invasion of Jehol is being kept in mind by the Japanese, but in this connection a recent *Kuo Min* telegram from Peiping stated that in view of the difficulty of negotiating the mountainous region between Nanling and Kowpangyingtse, the Japanese are reported to have abandoned their plan of invading Jehol via the Chinchow-Chaoyang branch railway. They have now changed their tactics and are plotting to penetrate into the province from Kailu, northeastern Jehol. In anticipation of the Japanese move Major-General Tsui Hsiu-wu, garrison commander of Kailu, has erected strong fortifications and effected junction with the Kirin Self-Defence Army under General Feng Chan-hai. Frequent Japanese air raids are reported.

Japanese Negotiate to Secure Release of Prisoners Held by General Su Ping-wen

A *Reuter* telegram from Tokyo Oct. 31 stated that the Japanese Army authorities in Manchuria have sent representatives to Manchuli by airplane to negotiate with General Su Ping-wen for the release of 170 Japanese nationals whom he holds prisoner there. All the captives are men, the women and children, 110 in number, having been evacuated to Soviet territory through the good offices of the Soviet consul at Manchuli.

General Su Ping-wen was commander of the railway guards on the western section of the Chinese Eastern Railway, under the Manchukuo regime. On September 27, he declared against Manchukuo, his troops taking over control of Manchuli, Dalainor, Puhatu and other cities, and he now exercises authority from Tsitsihar to the Russian frontier, a distance of 260 miles. Since then the Japanese have been "flirting" with him with the object of getting him back into their fold, but so far without success.

Heavy Fighting on Eastern Section of C. E. R.

A *Reuter* telegram from Harbin Oct. 30 reported fierce fighting at Ninmuta, off the eastern section of the C.E.R. near Ninguta. Early in the morning of October 26 a body of about 2,000 Volunteers suddenly attacked the Japanese garrison. Fighting raged for 30 hours during which the attackers got into the suburbs of the town, pushing the Japanese defenders back into the center of the town, where street fighting and bayonet fighting went on continuously for some hours. The attackers were assisted by small artillery and considerable damage to the town was done by their shells. Finally the Japanese forces repulsed the Volunteers. The losses of the attackers are unknown but it is believed they were heavy as also were the losses of the defenders.

It is stated that the Volunteers who have been operating on the western C.E.R. have now managed to establish connection with the Volunteers in North Manchuria with headquarters at Taheiho, across the Amur from Blagoveschensk. The Volunteers towards Manchuli are now receiving supplies and reinforcements from the Taheiho Volunteers. These two sections of the Volunteer forces are apparently endeavoring to carrying out an encircling movement with the probable intention of descending on Tsitsihar with the object of wresting it from the Japanese. It is reported that in Tsitsihar anti-Manchukuo spies are conducting propaganda and the atmosphere is described as tense.

Japanese Suffer Losses in Driving Off Volunteers

The Japanese garrison at Taian which had been encircled by some 4,000 Volunteers since October 20 succeeded in repulsing them on October 28 following severe fighting. The so-called bandit forces were in possession of 3 mountain-guns and 4 trench-mortars. The Japanese telegrams admit that in the fighting, Captain Hayashi, Commander of the Garrison, and 14 officers and men were killed and 14 others wounded. Four Japanese in the employ of the South Manchuria Railway Company are also reported to be missing.

Sir John Simon Defends Tokyo Policy in Manchuria

Replying to questions put in the House of Commons Oct. 31 Sir John Simon said that the British government had so far no grounds for doubting that the Open Door policy would be effectively maintained in Manchuria, in accordance with assurances given by both the Japanese government and Manchurian authorities. When asked whether he could make certain that no restrictions would be placed later on, Sir John replied, "We must proceed by stages. If there is no ground for doubting that the Open Door policy will be maintained, that, so far, is satisfactory."

Japanese Threat on Jehol

A delayed telegram from General Tang Yu-lin, Chairman of the Jehol Provincial Assembly received at Peiping end of last week stated that five Japanese airplanes visited Kailu within the borders of Jehol Province on October 22 and dropped 20 bombs. A Chinese officer and five horses were killed. General Tang further stated that the Japanese are concentrating a big force of 60,000 Mongol soldiers and a division of Japanese troops at Tungliao, which is at the terminus of a branch railway which runs up to near the Jehol frontier. He says they have also 15 airplanes at Tungliao and they are evidently preparing to invade the province.

Koreans in Manchuria Help Volunteers to Fight Japanese

Dr. Syngm an Rhee who in 1910 was elected President of the "Korean Republic," and who is the chairman of the Korean Commission in the United States, made an announcement in Washington Oct. 22 that he had received a cablegram saying 10,000 Koreans are fighting against the Japanese in Manchuria. Dr. Rhee said the Japanese encouraged the Koreans to settle in Manchuria to help consolidate Japan's claims to the territory. Now, he said, the Koreans are sympathizing with the Chinese in the Manchurian dispute and assisting the Chinese Volunteers.

Hundreds of Koreans Are Massacred by Japanese Along the Yalu River

Hundreds of Koreans, many of them women and children, in districts along the Yalu River were massacred by Japanese troops after General Tang Chu-wu, chairman of the Liaoning provincial government, ordered his men to evacuate Tunghwa, capital of Liaoning, according to a telegram received in Peiping Nov. 1 from General Tang who is at present in Mengkong.

The action of the Japanese is believed to have resulted from the recent amalgamation of the Koreans with the forces under General Tang in operations against the Japanese troops. General Tang's forces abandoned Tunghwa on Oct. 30 after a fleet of 30 Japanese planes bombarded the city.

General Ma Chan-san's Troops Experience Much Hardship

A graphic account of the experiences which General Ma Chan-san and his troops underwent in the course of their campaign against Manchukuo and the Japanese in North China was given by Chiang Shou-shan, representative of the Heilungkiang general, in an address before members of the department of geography of the National Normal University at Peiping Oct. 27. Mr. Chiang estimated that the Volunteers had fought at least 50 battles side by side with the troops of General Ma Chan-san against the Japanese in North Manchuria. Of these the most notable were the battles of Luchuantien and Pataoho, in which General Ma narrowly escaped death. After the battle was over, the Japanese examined the bodies of Chinese killed in the field and found one resembling General Ma. They immediately announced that General Ma had been killed in action, though as a matter of fact, the corps in question belonged to a body-guard of the Heilungkiang leader. That night General Ma and his small band of followers spent in the mountain fastnesses.

Referring to the battle of Pataoho, in which General Ma, was wounded, Mr. Chiang said that the hero of the Nonni River struggle against the Japanese last year hid himself in a pond overgrown with reeds. Four Japanese airplanes bombed the pond. Two bombs landed about 10 feet from where General Ma lay. They both exploded,

seriously wounding a bodyguard, and injuring General Ma in the face. After the Japanese planes departed, General Ma crossed the stream nearby and again found refuge in the mountains.

Speaking of the difficulties of General Ma's troops in the way of clothing, Mr. Chiang said that at first they were well clothed, but as they frequently crossed the forests, their uniforms were soon torn. Their leather boots fared worst and had to be discarded for those made of horse skins or pig-skins.

Much Money Raised in North China

The people of Peiping and Tientsin are responding enthusiastically to the appeal for winter clothing and funds for the North-eastern volunteers. Shen Pu-yu, owner of the Kwang Ho Chu Restaurant, Peiping, has contributed his entire savings of \$20,000 to the National Salvation Army on the Mongolian border and has indicated his willingness to proceed to the front with supplies collected by the various civic organizations. According to a decision of the Peiping and Tientsin Association of College Faculties, each teacher is to contribute one per cent of his monthly salary in aid of the volunteers.

Chinese Restaurant Staff on C. E. R. Turn Out to Be Machine Gunners

The Japanese-owned Harbin *Times* in a recent issue asserted that a little before the mutiny of General Su Ping-wen on the western section of the Chinese Eastern Railway a number of popular military restaurants were opened up at Manchuli by Chinese immigrants from the Soviet Russia. The restaurants it is alleged, were staffed by students from the Asiatic People's Institute at Moscow and from the School for Partisans affiliated with the Chinese Club at Vladivostok. When the mutiny actually broke out, this Harbin paper states, these immigrants and several Russian immigrants became machine-gunners for the mutineers. The journal also declares that the newly-formed military control department is commanded by a European of unestablished nationality, who controls all the decisions reached at the headquarters of the mutineers. A political department, is attached to these headquarters and this is placarding all the occupied territory with such slogans as "Away with Capitalists and Welcome the Era of the Workers," "Welcome Friendship with the U.S.S.R.," "We Demand Resumption of Diplomatic Relations with Russia," "Away with Imperialistic Oppressors," "Welcome Unity between Workers, Laborers and Soldiers" and "World Workers, Unite."

The article in the Harbin *Times* concludes by saying that if the Soviet Government has no connection with the afore-stated Communist activities, as it has officially stated, then, to avoid misunderstandings, it should clip the wings of the Communist immigrant ringleaders of the mutiny, who are acting presumably for the Komintern.

Japanese "Patriot" Plane Shot Down by Bandits

The "patriot" airplane No. 6, an 88-type Army scouting plane, donated by the Japan Woollen Goods Co. Ltd., Kobe, was shot down when it took part in the expedition against bandits in the neighbourhood of Chinsi, west of Chinchow, on October 9, according to a report recently made public by the Japanese War Office in Manchuria. A bandit bullet disabled the engine and the flyers were forced to land. A patrol of troops was then ordered to guard the airplane, but they were attacked by an overwhelmingly large number of bandits. Sergeant Narita, in command of the guard, and all the men fought to their death, the War Office announced.

China Oppose League's Manchurian Autonomy Scheme

The National Government considers the formation of an autonomous regime in Manchuria and demilitarization of area, recommended in the report of the League Inquiry Commission, incompatible with the territorial sovereignty and administrative integrity of China and hence unacceptable, according to a recent note transmitted to Geneva.

The note outlining China's policy vis-a-vis Manchuria was cabled to the China delegation to Geneva, headed by Dr. V. K. Wellington Koo and Quo Tai-chi, for presentation to the League of Nations Council.

The National Government also expressed opposition to the convocation of an Advisory Conference, especially in-

sofar as Manchuria now under the Japanese puppet regime of Manchukuo is to be entitled to representation on an equal basis with China and Japan. The Advisory Conference, so constituted, it is pointed out, presupposes that Manchuria is an independent state.

As a counter-proposal to the formula recommended in the Lytton report, it is stated that the National Government alone has the power to determine the form of local government for Manchuria. Such local government in Manchuria may invite Japanese advisors in its various departments only with the sanction of the central government of China.

It was further pointed out that China will not be party with Japan in any new commercial and non-aggression treaties provided that negotiations for such treaties are to be based on the recognition of all of Japan's ill-gotten rights in Manchuria and China. Only those of Japan's rights regarding lease of land and railway interests in Manchuria which have been authorized in treaties signed between the central governments of the two countries can be recognized in any new Sino-Japanese treaties.

The Salvation Army's Appeal to the League

General Su Ping-wen and General Chang Tien-chiu, respectively commander-in-chief and vice commander-in-chief of the Northeastern Salvation Army, end of last week sent a telegram to the League of Nations, in the course of which they said:—"One year has elapsed since Japan's military aggression brought the Northeastern Provinces of China under her domination, followed by the establishment of the bogus Manchukuo under the titular headship of Pu Yi in the face of the indignant opposition of the whole Chinese nation. Her loudly proclaimed "campaign of bandit-suppression," accompanied by incendiarism and the wholesale massacre of peaceful inhabitants whose sole crime is their stubborn refusal to co-operate with their alien invaders, has thrown the whole of the Northeastern Provinces into indescribable confusion and has rendered destitute three-quarters of our people. Her misdeeds are a veritable negotiation of justice and humanity. "Japan has violated article I of the Nine-Power Treaty by her invasion of our territory and her encroachment upon our administrative sovereignty; she has set at naught Article II of the Briand-Kellogg Pact by her resort to military force, rather than recourse to pacific means for the settlement of international disputes; and by deliberately destroying China's territorial integrity and political independence in face of the repeated injunctions of the League Council, she had broken the covenant of the League of Nations. And now she has become more defiant in her aggressive intent: she has accorded official recognition to the puppet state through the conclusion of a protocol. This fateful step, which is tantamount to virtual annexation of our Northeastern Provinces, has dealt an irretrievable blow to the peace of the Far East and is bound to have disastrous repercussions throughout the world."

Anti-Japanese Boycott a Complete Success in South China

"The rocks may decay and the seas may dry up, but our determination to rid Canton of traitors will never be shaken." Thus declared the South China Iron Blood Group in a letter sent to various merchants in Canton last week warning them against handling Japanese goods. A recent *Reuter* message from Canton stated that the anti-Japanese boycott movement in South China has proved to be a complete success. The Japanese have lost nearly 95 per cent. of their trade in South China and there is not a bit of hope of its reviving under the present circumstances.

Japanese Press Collection for Million Dollar Debts Owed by Chinese

Upwards of a thousand members of the Amalgamated Union of Japanese Merchants and Industrialists of middle and minor standing who have failed to collect the debts owing to them by Chinese merchants since the outbreak of the Sino-Japanese conflict in Manchuria are considering measures for the collection of their credits, according to the *Press Union*. Three representatives of the Union visited the local Japanese consul general, Mr. Ishii, during the week and laid the question before him, asking him to accord them official assistance. The total amount of the Japanese claims against Chinese merchants is roughly estimated at \$1,000,000.

How American Parties Stand on International Relations*

ON next Tuesday morning, Nov. 8, the American people including both men and women legal voting age, will go to the polls and register their choice for a chief executive who will administer the affairs of the United States Government for a further period of four years. Although chief interest centers in the competition between the two major parties, the Republicans and Democrats, it is a not very well known fact that there actually are ten men running for President of the United States this fall on platforms which have been drafted by nine different political parties. That there are ten candidates representing nine parties is due to the fact that one of the minority parties, the so-called "Liberal" party has split into two factions and has two candidates. The various candidates and the parties they will represent on election day are as follows:

Party	Candidate for President	Vice-President
Republican Party	Herbert C. Hoover	Charles Curtis
Democratic Party	Franklin D. Roosevelt	John Nance Garner
Socialist Party	Norman Thomas	James H. Maurer
Communist (Workers) Party	William Z. Foster	James W. Ford (Negro)
Socialist Labor Party	Verne I. Reynolds	John W. Aiken
Prohibition Party	William D. Upshaw	Frank S. Regan
Farmer-Labor Party	Jacob S. Coxey	No candidate
Liberal Party	{ Frank E. Webb	Frank B. Hemenway
	{ William H. Harvey	
Jobless Party	Rev. James R. Cox	Dr. Victor D. Tisdal

Although the Government of the United States is rated as "conservative and capitalistic" as it is and as most Americans are, this does not mean that American citizens do not have the right to vote as they wish. The foregoing list of nine parties shows that Americans have the legal right to vote as they believe, even to the extent of electing Communist William Z. Foster and his running-mate, James W. Ford, to the highest offices in the land. But of course they will not do this because most Americans, as stated previously, are conservative. The man who will occupy the White House for the next four years, beginning with March 4 next, will either be Republican Herbert C. Hoover or Democrat Franklin Delano Roosevelt. However, it is expected that the serious economic depression now prevailing in the United States will cause the Socialist Party to poll a much higher vote than at any time in its previous history. Norman Thomas, the Socialist candidate, in a recent statement predicted his party would quadruple its voting strength in the polling next Tuesday, the reason being the economic depression and the apparent inability of the two major parties to improve conditions. There probably never was a time when political conditions were so muddled or uncertain as they are in the United States today, the reasons being too numerous for reviewing in these columns, but to the ordinary economic and political issues is added the prohibition or "wet and dry" question. Disgusted with the apparent futility of attempting to enforce "dry" legislation, both of the major parties, the Republicans and Democrats, have indicated a desire for modification, the Democrats being somewhat "wetter" than the Republicans. Also, it must be noted that the Re-

publican Party this fall is badly split, some of the liberal or progressive members of that organization having gone over to the Democratic camp. This is particularly true of Senator Johnson of California who has deserted Hoover and may throw his state into the Democratic camp. The LaFolletes of Wisconsin, Senator Brookhart of Iowa and Senator Norris of Nebraska also have deserted Hoover, but Senator Borah of Idaho, although disgruntled with Hoover's policies, recently has announced his intention of supporting the Republican ticket. The industrial leaders of the country, although usually on the Republican side, are not this year united, some of the outstanding men being in the Democratic camp. Henry Ford, famous automobile manufacturer, normally a Democrat, has announced this year his intention of supporting Republican Hoover.

Under normal conditions there usually are between six and seven more millions of Republican voters than there are Democrats, but this year the distressed economic conditions prevailing have embarrassed the Republicans due to the fact that millions of persons are out of work and thousands of others, including the farmers, have lost money; hence the tendency has been to hold President Hoover and his party responsible. Most of the "straw" votes which have been taken in recent weeks indicate the election of Frank D. Roosevelt and the Democratic ticket, but the results will not be known until after the votes have been counted after next Tuesday's polling. Since there is no provision in American law permitting citizens who reside abroad to vote, this means that several thousand American citizens residing in the Far East will not register their choice for President in the forthcoming election. However, this does not mean they lack interest. Particularly are these ex-patriated Americans interested in American foreign policies, for in many ways their livelihood depends to a certain extent upon what America does in the field of international relations. For this reason *The Review* presents herewith a summarized statement from the platforms of the various parties dealing with their attitudes on the international relations of the United States:

Republican Party

Imperialism: "The Party will continue to maintain its attitude of protecting our national interests and policies wherever threatened, but at the same time promoting common understanding of the varying needs and aspirations of other nations..." Believes in and "looks forward to the steady enlargement of the principles of equality of treatment between nations great and small, the concession of sovereignty and self-administration to every nation which is capable of carrying on stable government," etc.; says record has proved to Latin America that "we have no imperialistic ambitions..." silent on Philippines; same laws for Porto Rico as those of economic aid to other of our citizens. *International*

*Editor's Note—The *Review* is indebted to the magazine, *The World Tomorrow* for this summary of foreign policies of the various parties which appear herewith. The summaries were prepared by Devere Allen.

Organization: points to cooperation with League of Nations regarding Sino-Japanese crisis; reiterates "Stimson doctrine" of non-recognition of gains made through violation of treaties; favors consultative conference in any case of non-fulfillment of Article 2 of Kellogg Pact; stands for joining World Court. **World Economic Relations:** "staunch supporter" of protective tariff, tariff protection being now of particularly great importance; up-holds "flexible" tariff control by President; favors extension of tariff principle to natural resource industries—oil, mines, forests, etc.; stands for most favored nation arrangements; favors world economic conference on monetary questions, including silver, exchange, prices, and "possible co-operative action." **Disarmament:** recounts efforts by Administration for limitation of armaments; "while in the interest of necessary government retrenchment, humanity and relief of the taxpayer we shall continue to exert our full influence upon the nations of the world in the cause of the reduction of arms, we do not propose to reduce our navy defenses below that of any other nation;" the army has reached the irreducible minimum consistent with self-reliance, self-respect, and security. **Conscription:** "We believe that in time of war every material resource in the nation should bear its proportionate share of the burdens occasioned by the public need..." **Military Training:** supports "essential principles" of the National Defense Act of 1920. **Immigration:** "restriction of immigration is a Republican policy," and urges strict retention of present laws. **Recognition of Russia:** silent. **War Debts and Reparation:** silent except to mention the Administration's one-year moratorium.

Democratic Party

Imperialism: "no interference in the internal affairs of other nations;" independence for Philippines; statehood for Porto Rico; "coöperation with nations of the Western Hemisphere to maintain the spirit of the Monroe Doctrine." **International Organization:** does not mention League of Nations; advocates "a firm foreign policy, including peace with all the world" and arbitration; sanctity of treaties; "adherence to the World Court with appending reservations;" favors making Kellogg Pact effective by consultation and conference in case of a threatened violation of treaties. **World Economic Relations:** advocates "a competitive tariff for revenue, with a fact-finding commission free from executive interference, reciprocal tariff agreements with other nations;" "an international economic conference designed to restore international trade and facilitate exchange." **Disarmament:** "a navy and an army adequate for national defense, based on a survey of all facts affecting the existing establishments, that the people in time of peace may not be burdened by an expenditure fast approaching a billion dollars annually;" "international agreements for reduction of armaments." **Conscription:** silent. **Military Training:** silent. **Immigration:** silent. **Recognition of Russia:** silent. **War Debts and Reparations:** "We oppose cancellation of the debts owing to the United States by foreign nations."

Socialist Party

Imperialism: "abandonment of every degree of military intervention by the United States in the affairs of other countries. The immediate withdrawal of military forces from Haiti and Nicaragua;" "the withdrawal of United States military and naval forces from China and the relinquishment of extra-territorial privileges;" "complete independence of the Philippines and the negotiation of treaties with other nations safeguarding the sovereignty of these islands." **International Organization:** "entrance of the United States into the League of Nations under conditions which will make it an effective instrument for world peace and renewed coöperation with the working class parties abroad to the end that the League may be transformed from a league of imperialist powers to a democratic assemblage representative of the aspirations of the common people of the world;" entrance of the United States into the World Court." **World Economic Relations:** "the creation of international economic organizations on which labor is adequately represented, to deal with problems of raw material, investments, money, credit, tariffs and living standards from the viewpoint of the welfare of the

masses throughout the world." **Disarmament:** "while the Socialist Party is opposed to all war, it believes that there can be no permanent peace until Socialism is established internationally;" works for "reduction of armaments, leading to the goal of total disarmament by international agreement, if possible, but, if that is not possible, by setting an example ourselves; soldiers, sailors, and workers unemployed by reason of disarmament to be absorbed, where desired, in a program of public works, to be financed in part by the savings due to disarmament;" "prohibition of the sales of munitions to foreign powers." **Conscription:** for abolition. **Military Training:** for abolition of military training camps and the R.O.T.C. **Immigration:** "modification of the immigration laws to permit the reuniting of families and to offer a refuge to those fleeing from political or religious persecution." **Recognition of Russia:** "recognition of the Soviet Union and the encouragement of trade and industrial relations with that country." **War Debts and Reparations:** "cancellation of war debts due from the allied governments as part of a program for wiping out war debts and reparations, provided that such cancellation does not release money for armaments, but promotes disarmament."

Communist (Workers) Party

Imperialism: against imperialist war; for the defense of the Chinese people and of the Soviet Union; "such a revolutionary workers' and farmers' government alone can... grant unconditional independence to Hawaii, the Philippines, and other colonial peoples now enslaved by Wall Street." **International Organizations:** League of Nations is a "pacifist swindle;" silent on World Court; silent on Pact of Paris. **World Economic Relations:** silent. **Disarmament:** silent. **Conscription:** silent. **Military Training:** silent. **Immigration:** silent. **Recognition of Russia:** silent but of course implicit. **War Debts and Reparations:** silent.

Socialist Labor Party

Note:—The Socialist Labor Party's platform contains no declaration on international affairs.

Prohibition Party

"We declare our abhorrence of war, and favor continued efforts for peaceful settlement of international differences, the reduction of military armaments and the entrance of our country into the World Court."

Farmer-Labor Party

Imperialism: independence of the Philippines within ten years. **International Organization:** opposed to entry of United States into League of Nations or World Court. **World Economic Relations:** gradual reduction of all tariffs by international agreement, except temporarily on "selected commodities the United States prices of which will be controlled and standardized (especially farm products); pending such an agreement, favors retention of present tariff rates until Jan. 1, 1937, "except those which are now or may before that date be fostering exorbitant profits; if no agreement is reached by Jan. 1, 1937, favors reduction of U. S. tariffs by ten per cent per annum until Jan. 1, 1944; urges immediate tariff on oil and other commodities to protect independent producers in the meantime; silent on other matters under this head. **Disarmament:** general disarmament by international agreement; a department by international agreement; a department of national defense under one head, with assistant secretaries for air, army, navy; "build up the navy to the treaty limits immediately and provide an adequate army." **Conscription:** silent. **Military Training:** silent. **Immigration:** total exclusion until unemployment is over. **Recognition of Russia:** silent. **War Debts and Reparations:** silent.

Liberty Party

Webb: "protection of investments and capital only when invested in the United States."

Harvey: Stands for a referendum of the people before war can be declared.

Jobless Party

Reciprocity in tariffs; "cancellation of all war resume trade relations with us, provided, however,

(Continued on page 450)

The Japanese Occupation of Far Eastern Russia

BY HARRY PAXTON HOWARD

IN the frequent reports, alarms, and discussions about the possibility of a Japanese invasion of Siberia, it is seldom recalled that Japan a decade ago was in actual occupation of a part of eastern Siberia, that her troops, and Russian "allies," had controlled for years a Russian territory larger than Japan proper, but that, in spite of military superiority and actual possession, Japan actually withdrew her troops, and left on the wrong side of the ledger the over 700,000,000 yen which this Russian adventure cost.

It is of interest and importance today to recall this previous experience. Certainly Japan, having failed once in spite of military superiority, is not likely to repeat the same error again when the military situation is far more uncertain, unless there are some new factors which might militate strongly in her favor, or unless Japanese affairs are in the hands of a far different group of militarists than those who determined her military policy ten years ago. Furthermore, it is of special significance to Chinese to note that an army in actual military possession of a great area can be driven out, even after years of control, if the people of the area maintain their opposition to the invaders and have support from their fellows in unoccupied areas.

Japan's Agreements in 1918

When Japanese forces entered Russian territory in 1918, it was at first with the full approval and agreement of other Allied Powers, including the United States and China. There was a secret agreement with Peking (then in the hands of the Anfu clique) and Tokyo, and a direct link through the War Participation Board (organized after China had been induced to enter the World War), under the advisement of the Japanese military attache. In January 1918 an arms contract was signed for 40,000,000 yen worth of munitions to be supplied the Anfu gang (alias the Peking government) from Japan, in May a secret pact was signed for Sino-Japanese military co-operation in the defense of China's frontier, and in September a supplementary military agreement was made covering Sino-Japanese activities in Russia, stipulating that operations of Chinese forces in Siberia were to be directed by Japanese commanders.

Japan therefore, in her activities in eastern Siberia, had China's three eastern provinces as a base of operations, and was dealing with the docile and subservient Anfu government and the docile and subservient Chang Tso-lin as representatives of China. She faced no such opposition in the three eastern provinces as she does at present.

In November 1917 the Bolsheviks had seized power in Russia, and some chauvinists in Japan began talking about occupation of parts of their disorganized neighboring land, one proposal being the annexation of Siberia as far west as Irkutsk in lieu of the war debts due Japan which the revolutionary government had repudiated. The attitude of Western interventionists soon made it clear that Russia was "fair game" for her erstwhile Allies, though invasion should be under the noble banner of democracy and representative government for Russia. It was slightly difficult for the Japanese to adjust themselves to the idea of fighting for political principles with which they were totally unacquainted, but they proved adept pupils, and soon became fluent in the idealistic phraseology of the interventionists.

Japanese, as well as British and American, warships were at Vladivostok at beginning of 1918. When a Soviet government was established at Blagoveschensk on the Amur, Japanese troops were sent there (ostensibly to protect Japanese nationals) and set up a "White Russian" government, which was soon chased out by the peasants from the surrounding countryside. There was no Soviet regime at Vladivostok, but in a disturbance there on April

4th three Japanese were killed, following which Japanese sailors were landed.

"Saving" the Czechs

The Czecho-Slovak prisoners of war furnished the pretext for the general invasion of Siberia in 1918. These men, it will be remembered, desired to get out of Russia and get around to the Western front to take up arms against Imperial Germany there. The Moscow government did not oppose this, and the Czechs set out across Siberia for Vladivostok. Some reached there, but with the serious disorganization of Russian transport most of them were left strung out across Siberia in the eighty trains supplied them. Misunderstandings arose with railway officials and the poorly organized Red Guards along the line, and there was a conflict at Irkutsk which the Czechs won easily, and after arming themselves at the expense of the Reds won further victories, suddenly finding themselves, through their superior organization in a disorganized country, in actual control of the railway from Samara to Lake Baikal. On June 28th the Czechs made a coup in Vladivostok, following which a Japanese, British, French, American, and Chinese proclamation was issued recorganizing the Czechs as in military occupation of the port, and Japanese and British forces as occupying a "neutral zone."

In the general invasion of Siberia which followed America took the lead, Britain, France, and Japan joining in. The avowed reasons for intervention was the "rescue" of the Czechs, the saving of the war stores at Vladivostok from the Germans, and the support of any anti-Bolshevik government which might emerge. The United States suggested that America and Japan should each send seven thousand men to act as a rearguard for the Czechs in their westward movement. The Czechs, instead of being evacuated from Vladivostok to fight the Germans, were to move westward to fight the Revolution. In addition to the American forces, British warships and troops, and some contingents of French and Italians, were sent to join the international invading force.

Japan Sends an Army

The situation was such that Japan would have been outnumbered by the other foreign forces, but the Japanese did not take at all kindly to this and it was agreed that where there were other foreign troops there should be Japanese also, with an officer of higher rank than the other foreigners. But this was not sufficient for the Japanese, and with the invasion under way she sent 70,000 troops over the Chinese Eastern Railway under the secret military agreement with China.

The Chinese Eastern Railway was already being used as a base of raiding operations against Soviet Russia. The Russian troops in the railway zone had supported the Soviet government, and at the direct request of the foreign consular body at Harbin, strengthened by Allied pressure at Peking, the subservient Chinese officials sent troops to Harbin, disarmed and expelled (to Russia) the Soviet troops, and re-established the old anti-revolutionary railway administration, headed by General Horvath. Following this the notorious Semenov gained some support at Harbin, and used Chinese territory as his base in making raids into Russian territory, with Japanese support.

An American railway commission soon made Harbin (and Vladivostok) its main center, and made arrangements to place men covering the whole of the C. E. R. to keep the line in order for the troops invading Russia. In the meantime, however, Japan had made a large loan to Horvath, and the two co-operated in obstructing the American commission's work.

When Semenov's Cossacks, after raiding and plundering defenseless Russian villages, suddenly found themselves faced with armed peasants determined on vengeance, they fled incontinently back into Chinese territory into the sheltering arms of their Japanese and other Allied friends. It soon became clear that Semenov and his gang were worthless for any real fighting, and Japan, under the secret military alliance with China, began moving troops through Port Arthur into North Manchuria. At one place after another the Japanese, working in co-operation with the old Russian administration which the Chinese officials had obligingly kept in office, ousted Chinese guards from the C. E. R., and virtually took over

control of the railway,* though the resultant clamor from the other Allies made it necessary to grant them a share of this control.

The Invasion Gets Under Way

While Siberia was, at the time, rather outside the program of expansion which the Japanese imperialists had set themselves, the action of America and other Allies made this new activity feasible, and on August 3rd Japan announced that she was prepared to follow the example set by her Allies, for the purpose of restoring order and assisting the Czechs in their *eastward* movement. (Washington was avowedly helping them in their *westward* movement.) Following this Japanese troops moved north from Vladivostok and drove out the revolutionary government from Habarovsk, a naval expedition occupied Nikolaevsk at the mouth of the Amur, and Japanese forces patrolled the Amur, seizing (without encountering resistance) the Soviet vessels and all arms and ammunition they could locate. The Americans took over the management of the railway running north from Vladivostok.

In Habarovsk the Japanese put the ferocious Kalmikoff in charge. In Chita the Czechs came in (from Irkutsk), following which the Japanese forces came in from the east with their protegee Semenoff, installing him as dictator. The Japanese, therefore, now possessed an army in Siberia, as well as North Manchuria, brought in with the encouragement of her Western Allies, in a protective relationship to Czechs and White Russians, and with no well-organized Russian opposition.

The thousands of miles of disorganized railway which constituted the "regenerated Russia" were the subject of an inter-Allied transportation conference in September, presided over by General Takeuchi, but as no nationality trusted any other nothing was accomplished, though there was a staff of American engineers which had come out specially for railway work. After months, a compromise was effected, each of the comradely Allies taking charge of a section of railway, this resulting in increased misunderstandings, disputes, and chaos for the next year. The American forces, whose government had taken the lead in the intervention, were bitterly dissatisfied with the results, noting that the Japanese, who constituted far the most powerful force, wanted only to "shoot Bolsheviks," while the Europeans aimed at reinforcing a war front in Europe.

The Red Army Strikes

With foreign military support as a basis, an anti-Bolshevik government was set up in Siberia, and the various anti-Soviet elements combined in an All-Russian Constituent Assembly on October 7th, 1918, made Omsk their center, and tried to bring all anti-Communist forces together under a moderate constitutional regime. This, however, was not the aim of the militarists upon whom they depended. Admiral Kolchak came to Omsk with the blessing of the foreign invaders, and a regiment of Semenoff Cossacks overthrew the constitutionalists and made Kolchak dictator. After months of organization of a new Russian army against the Soviets, the counter-revolutionists started their spring offensive in 1919, with foreign arms, supplies, transportation assistance, and officers, and further supported by Japanese, Czech, and other foreign troops—over 120,000 in all.

In the meantime, however, the Moscow government had, in the face of the most serious disorganization, and attacks in the south by "White" armies with British and French support, built up the Red Army, and by the end of the summer the Kolchak forces were being torn to pieces before the attacks of the Red troops. The Czechs, utterly disgusted with the role assigned them of supporting a military dictator against the Russian revolution, finally started for Vladivostok, and what was left of Kolchak's heroes followed as hastily as possible, showing that however inferior they were to the Reds in the matter of fighting, they could far outdo them in the matter of speed.

Japanese Control of Far Eastern Russia

The Japanese were now, directly or through their Russian proteges, in strategic control of Far Eastern Russia from the seacoast to Lake Baikal. Their favorite, Semenoff, had been quite insubordinate to Kolchak, but when the latter tried to remove the Cossack this was prevented by the Japanese. When Kolchak came eastward in full flight, the Japanese obliged him to appoint

Semenoff commander-in-chief, shortly after which General Janin of the Czechs turned Kolchak over to the Red Army, who shot him.

In Japan there was much opposition to the Siberian adventure, even some of the militarists considering the whole thing unwise. Among the people feeling was bitter, the sufferings of the soldiers in the terrible cold of Siberian winters especially arousing discontent both among them and their friends and fellows back home. The intervention was equally unpopular with the other foreign troops, particularly the Americans and Canadians, who were in a state bordering on mutiny. When the collapse of Kolchak, and the refusal of the Czechs to continue to act as catspaws, made it clear that the Allied forces would have to depend on their own unaided powers to overthrow the Soviet government, the foreign units were withdrawn. The sole exceptions were the Japanese, whose imperialists now, in the new phraseology, explained that it was incumbent upon her forces to hold the fort against the eastward impact of Bolshevism, and incidentally to "protect" the great war stores and other supplies in Vladivostok.

The Nikolaevsk Massacre

With the Red Army in control throughout western Siberia, came general revolt further east, in the territory ruled by Cossacks and bandits with Japanese support. Bands of guerillas, which had become increasingly active, even in the dead of winter defied the elements and became a force feared both by Cossacks and Japanese. These "Partisans" were generally peasant bodies, bitterly opposed both to the Cossacks and their foreign supporters, and aiming at any Russian rule which would eliminate both of these evils,—and this in actual practice meant Soviet rule. It was from these guerilla bands that Japan's main misadventure came, due to two companies of Japanese troops having been left in occupation of Nikolaevsk through the winter, cut off by sea by the ice and cut off overland by hundreds of miles of frozen waste. A force of Partisans took the city in February 1920, in the dead of the arctic winter, defeating the Japanese garrison, who were however permitted to keep their arms on a promise not to use them. On March 14th, however, the Japanese broke the truce by firing on the Russians, whereupon the latter attacked in force, and after ferocious fighting in which more than four hundred Japanese (including civilians) and some hundreds of Partisans were killed, the survivors surrendered and were imprisoned—about a hundred and forty in all. In June Japanese troops approached the town in force, whereupon the Partisans massacred the captives, fired the town, and left. Later a local Russian administrative body hunted down the gang responsible, and shot twenty-four of them.

Of the various points taken by the Partisans in 1920 Blagoveschensk and Habarovsk were of outstanding importance. At Habarovsk, though driven out by the Japanese in company with Kalmikoff's Cossacks, they returned in such strength that the Japanese withdrew. Kalmikoff, helpless without Japanese forces to support him, fled across country to Manchuria with some of his Cossacks, where the Chinese interned him, the Japanese—who were utterly disgusted both with his butcheries and his incompetence—making no move to save him. The Russian revolt was successful all along the Amur, thanks to the natives' advantage over the Japanese in winter campaigning.

Japanese Sit Tight

The Japanese, however, maintained control in Vladivostok and that area, proclaiming that its intention of withdrawing from Siberia was hampered by the necessity of protecting the Czechs, the Japanese residents, and the Korean border. April 4th the Japanese seized control in Vladivostok, and, with spring weather permitting military operations again, occupied points along the Amur railway, and were in complete control of the great area formed by the two lines of the trans-Siberian Railway (that through North Manchuria and that through Far Eastern Russia), as well as of Alexandrovsk. At Hailar on the C.E.R., owing to a dispute over rolling stock between the Japanese and the Czechs, who were still being "rescued," but who were insistent on leaving the country and going home, there was a pitched battle between "rescuers" and "rescues." The Czechs were compelled to give up their arms and apologize, but they continued to move to Vladivostok and thence to Europe, their transport having been at last organized, two years after the intervention (the ostensible reason for which was their rescue) started.

*"The term 'Russian Management' was but a camouflage for Japanese control."—E. T. Williams, *Short History of China*, p. 538.

In Japan there was increasing discontent, and the government looked with foreboding upon the manner in which the costs of the expedition were piling up. There is no doubt that the civil power would have liked to get out of the whole business, but the military men sat tight, unwilling to give up control of the territory so long as there seemed any possibility of retaining it or of getting anything out of it, and General Takayanagi of the General Staff, representing the "forward school," declared to the Japanese public that Japan's real objective was neither the rescue of the Czechs nor protection of the railways, but something far greater, to be disclosed in due time.

The Far Eastern Republic

In order to deprive the interventionists of the argument about a neighboring Communist state being a menace to Japan, a Constituent Assembly was convened at Verkhne-Udinsk, in western Transbaikalia, and on April 6th, 1920, proclaimed the establishment of the Far Eastern Republic, including the Transbaikalia, Amur, and Maritime provinces. This regime was recognized by the Soviet government the following month, in November was confirmed at a Conference of the United Far Eastern Provinces, and the following April (1921) by a further declaration of the Constituent Assembly.

On May 24th and 25th, 1920, a conference was held between representatives of the Japanese command and the Far Eastern Republic, but this broke down over the Japanese insistence that Semenoff's regime be admitted as a part of the new republic. Following this Japan brought pressure on the various provincial governments of eastern Siberia to send delegates to a conference at Vladivostok to discuss federation under Japanese auspices, but again without success, their proposed inclusion of Semenoff proving an insurmountable obstacle. Negotiations were finally renewed with the F. E. R. representatives, an agreement was reached for the cessation of hostilities, and in August the Japanese troops were withdrawn both from Semenoff's territory in eastern Transbaikalia and from the Chinese Eastern Railway as far as Harbin, remaining in effective control in Vladivostok and the Maritime Province generally, as well as in Saghalien.

The Reported French Agreement

Japan now seemed to be playing almost a lone hand, with no foreign companions in her occupation and some very strong criticism from Washington. She was still, however, joined to Britain by the Anglo-Japanese Alliance, and with France by the old 1907 agreement. At the end of 1920, it appears, secret negotiations were entered into between Japan and France, the latter assuring Japan of diplomatic support and a free hand in Siberia if she would take the support of the Wrangel troops (which France had backed against the Soviets in the Ukraine, but utterly failed) off of France's hands. In March 1921 a secret treaty is said to have been signed, providing for Japan's domination of Siberia as well as her control of the Chinese Eastern Railway.

This agreement was made public by the delegates of the Far Eastern Republic (who were not officially recognized) at the Washington Conference. Though its authenticity was denied by both French and Japanese delegates there, foreign consuls in Harbin in November 1921 confirmed that the British and French governments had agreed to ship 10,000 Wrangel troops to Vladivostok, and later some were reported to have arrived and attacked the Far Eastern troops at Habarovsk. Since that time, furthermore, the secret agreement between France and Britain for the dismemberment of Russia (using Denikin, then Wrangel, as their tools) has been made public, upon such high British authority as to make authenticity unquestionable. (See "The Franco-British Plot to Dismember Russia," in *Current History* for March, 1931). This Franco-British agreement, while it does not actually prove the existence of the Franco-Japanese, is so consistent with it that it leaves little if any reason to doubt the substantiality of the latter.

Difficulties of Occupation

Japanese military control, therefore, continued in the Maritime area and in Saghalien. But it was becoming clear that it was bringing no benefit to Japan. It is this aspect of things which must be taken into consideration at present.

The Japanese found administration extremely difficult throughout the occupied Russian territory. For themselves there was the language problem, and racial differences. And as for carrying on administration through the "Whites," the Japanese soon learned that though their proteges were only too willing to plunder and butcher the

people (under Japanese protection), they lacked either the ability or the desire to administer things under Japanese orders in a business-like way. There seemed no possibility of making the occupation even self-supporting.

Furthermore, it was breeding a mutinous spirit among the soldiers. Freezing to death on sentry duty, which was the fate of many, is not particularly heroic, and the unabated activity of Russian guerillas during the fierce Siberian winters made the lives of Japanese outposts thoroughly miserable. Discontent was such that General Ishimitsu declared that discipline had gone to pieces the Japanese forces in Siberia.

The expenses of the occupation continued to pile up, a particularly serious matter in view of the post-war depression which Japan had entered upon. There was fierce resentment at home over this expenditure, among various classes. Further, the Japan Federation of Labor and other labor bodies protested against the very aim of the expedition, and demanded the withdrawal of Japanese troops from Russia. And while discontent at home was increasing, Japan's diplomatic relations were becoming increasingly uncomfortable, particularly those with America, which rather balanced France's friendship. It appeared that even relations with Japan's old ally Britain were worsening, as evidenced by a parliamentary committee's visit to the Japanese ambassador in London asking him what Japan was doing in Siberia.

Conferences

The situation was such that evacuation was reluctantly prepared for, though the Japanese attempted to secure, as compensation for their departure, special economic rights in Far Eastern Russia, which the Russian authorities however refused to grant. As a special bargaining point the Japanese held the disposal of 300,000,000 yen worth of war stores still at Vladivostok (in spite of the marketing and use of these by one "White" regime after another). A conference between representatives of Japan and the Far Eastern Republic at Dairen, after dragging on for many months, came to nothing, the Russians demanding withdrawal before any treaty could be signed. The final breakdown came in April, 1922.

In the meantime, at the Washington Conference, it was made evident that Japan had almost no support outside of the French, who with regard to Siberia declared that "France had full trust in Japan, who had always proved a loyal and trustful friend." But the Anglo-Japanese Alliance, it was clear, was ended, and the American government had already gone strongly on record against the occupation, declaring that it could "neither now nor hereafter recognize as valid any claims or titles arising out of the present occupation or control, and that it cannot acquiesce in any action taken by the Government of Japan which might impair existing treaty rights or the political or territorial integrity of Russia." In the face of this situation the Japanese delegate at Washington, pressed for a definite statement, declared that Japan would soon withdraw, without "taking advantage of the present helpless condition of Russia for prosecuting selfish designs." On July 1st the Japanese government announced that all its troops would be withdrawn by November 1st.

Another conference was held between Japanese and Russian representatives (Joffe appearing as envoy for both Soviet Russia and the Far Eastern Republic), but also came to nothing. The decision to evacuate had been made, however, and a date given, and it was carried out accordingly. After years of occupation, the last two of which had been quite single-handed so far as other foreign powers were concerned, the Japanese troops left Russian territory, hastily followed by their "White" proteges.

What of the Future?

So came to an end the glorious occupation of Far Eastern Russia. The Japanese were not driven out by direct military pressure, but by a combination of factors. First of these, perhaps, was the feeling of isolation, the sense that they were playing a lone hand and at the same time antagonizing their most powerful neighbor—America—and making an enemy of another neighbor of rather uncertain potentialities at the time,—and the Japanese have dreaded isolation since their experience in 1896 when they had to abandon Liaotung.

Furthermore, the expedition was costing entirely too much, and was leading exactly nowhere. Administration involved such difficulties as to be almost impracticable against the resistance of the people. There was also the discontent of soldiers and taxpayers, and that of the

Japanese fishermen in Russian waters who found it impossible to work successfully in the face of Russian interference and raids, and returned to Japan complaining that the Japanese military "protection" had ruined them, a complaint supported by the Tokyo Chamber of Commerce. Everywhere there was loss. The expedition had cost 700,000,000 yen, and the only gain was to some of the individuals who succeeded in filling their own pockets either out of these funds or out of other money they could get away with, as by the disposal of the war stores at Vladivostok (some of which, incidentally, went to Japan's old friend Chang Tso-lin).

Is Japan likely to try to go back today into the territory she evacuated ten years ago? Is she likely to go back now, when she is faced with continued revolts in Manchuria which she seems incapable of suppressing, and when Russia has a first-class army and excellent defensive works which would call for the greatest powers of the Japanese army? Is she likely, in her present economic situation and with her present condition in Manchuria, to enter on a war the very success of which would be anything but certain, and at best could only promise the sort of thing which she found utterly worthless a decade ago?

Won't Fight Russia Alone

These are the questions to be asked. And the answer would appear to be in the negative. The only alternative answer would have to be on the assumption that the Japanese militarists have changed their views altogether, and completely forgotten the previous experience. But there is one other consideration.

It seems highly improbable that Japan will fight Russia single-handed. But France, Japan's old friend, is far more self-assertive than she was ten years ago. Furthermore, Japan is in serious financial difficulties, and France is in the best situation economically of any of the Powers today. Further, the war-weariness which gripped Europe a decade ago seems to be fading now, while at the same time France is faced with German demands for equal armaments which Paris unquestionably desires to nip in the bud as quickly as possible,—and a new World War would be an excellent method, provided an adequate pretext is found to rally all good Frenchmen—from Royalists to "anarchists"—to the fight.

If France is prepared to join with Japan in common military action against Russia, there may be real war. But it is most unlikely that Japan will burn her fingers again by going in alone.

Peiping, October 31, 1932.

Moslems Smash Book Store for Publishing Pig Story

Infuriated over an alleged insult to their religion, a mob of more than 30 Chinese Mohammedans raided the Poh Sing Book Store on Foochow Road, Shanghai, Oct. 27, causing damage estimated at a thousand dollars. The police were not successful in catching any of the miscreants.

This dispute began a few weeks ago when the *Hanan Magazine*, one of the periodicals published by the company, printed an article which traced the ancestry of the Moslems to the pig family. According to an eyewitness, the invaders came to the shop in motorcars and rickshas and seemed well organized. Tseng Chung-ming, Vice Minister of Railways, is the editor of the above-mentioned magazine. The article was published in his absence and he has expressed his regrets for its publication.

Changes in Routine Take Place at Chenju Radio Station

All records pertaining to the domestic service of the International Radio Station at Chenju, Shanghai, are to be taken over by representatives of the Ministry of Communications in conformity with a recent ruling of the Ministry regarding the respective jurisdictions of the Telegraph Department and the International Communications Bureau of the Ministry. Formerly, the International Communications Bureau had complete charge of both the foreign and domestic services sent through the Chenju station. According to the decision of the Ministry, however, it will hereafter be responsible for foreign radiograms only, and the inland radio service will be under the supervision of the Telegraph Department.

League Mission Deplores Effect of "Americanization" in Chinese Education

Philosophical, although strong, criticism of the predominance and effects of American educational methods in China is expressed unanimously in the recent report issued at Geneva of the educational mission that the League of Nations sent to China last year at China's request. The report is entitled "Reorganization of Education in China," and is signed by four noted educators—Dr. Carl H. Becker of Berlin, formerly Prussian Minister of Education; Paul Langevin of Paris; Professor Marjin Solski of Warsaw; and Richard Henry Tawney, economist, of London.

Though finding much to praise in American methods, the report deplores the half-baked or slavishly imitated ideas which the Chinese get from the United States, and speaks of the "remarkable, not to say alarming, consequences of the excessive influence of the American model on Chinese education."

The report continues: "Four members of the mission, representing four different springs of European culture, came to the conclusion that the cultural traditions of Europe are more suitable than American traditions for adaptation to Chinese requirements, because, precisely, American civilization has developed in spite of a total absence of local traditions, whereas the European, like the Chinese civilization, must always take account of local traditions, dating back thousands of years. There should be no mistake here. We do not wish to see European methods substituted for those imported from America."

The report goes on to advise that "it must not be the aim to Americanize or Europeanize China, but to modernize China's own national and historical individuality." It wishes "solely to warn Chinese education against superficial Americanization. Let them rather borrow that spirit of originality with which Americans have succeeded in adapting the culture of Europe to American conditions."

American Ideas in Censorship Prevail at Madrid

The special committee of the International Communications Congress at Madrid on Oct. 28 unanimously adopted the new draft of the censorship provision which was submitted by the United States delegates. The new Article 25 provides that the contracting governments reserve the right to stop the transmission of telegrams and radiograms deemed dangerous to the safety of the state and contrary to the laws of the state governing public order and decency. Japan, China, Czecho-Slovakia and Austria had proposed amendments to the article which would have broadened the censorship. The committee believed the amendments were unnecessary.

Number of Chinese Students in America Declines

According to statistics compiled by the Chinese Students' Federation, 1,256 Chinese students are at present studying in 140 colleges and universities in America. Of these, 1,108 are men and 148 women. A comparative study of figures showing the number of Chinese students in the United States since 1898 reveals that, from six students that year, the figure rose steadily to 847 in 1914. Exact figures are not obtainable for the years of the World War, but in 1918 there were 1,400 Chinese students in America, apparently encouraged by the then favorable gold exchange. The peak was reached in 1914-5 when the total was 1,651. Thereafter, it declined gradually until it touched 1,256 this year.

Peiping-Shanghai Through Express Service to Start Next May

The direct Peiping-Shanghai through express train service is expected to be inaugurated on May 1 next when passengers from Peiping to Shanghai will not change trains at Nanking but will be ferried across the Yangtze by the train ferry, *Changkiang*, which was launched at Newcastle early last month by Mrs. Quo Tai-chi, the wife of the Chinese minister at the Court of St. James. At Peiping present the journey between Peiping and Pukow takes more than 36 hours, but it is the plan of the administration to reduce this to 27 hours as was the case in the days of the Blue Express about seven years ago.

British and American Responsibility for What Japan Has Done in Manchuria

(The following article which constitutes a strong indictment of British and American policy in connection with the Manchurian situation appeared in the Manchester Guardian on September 30 and October 1).

LAST September the Japanese army in Manchuria attacked and seized Mukden and a number of other towns along the South Manchurian Railway, and from these points as a base rapidly occupied the whole of Manchuria, setting up local "committees of order and safety" in the occupied areas, which were gradually joined together into provincial Governments. Once the occupation of the three Manchurian provinces of China had become effective the Japanese Government kidnapped Henry Pu-yi, the son of the former Emperor, who was living in the Japanese Concession at Tientsin, conveyed him to Dairen on a destroyer, and then made him the dictator of the so-called Manchukuo, or independent State of Manchuria, which is notoriously a creation of the Japanese Army of Occupation.

The extent to which Japan is responsible for the maintenance of this puppet State has been indicated by the Lytton Commission in a preliminary report, which also makes it clear that the Japanese, although they have overrun Manchuria, are far from having conquered the country, for there are some 140,000 men in arms against the Japanese Army of Occupation (80,000), and, indeed, the whole population bitterly hates the Japanese and indulges in guerrilla warfare and sabotage wherever and when whenever possible. As a result of the disorder and fighting the crops have not been sown, and Manchuria, in the past a food-exporting country, is now a country faced with starvation unless the Japanese, who are in control, import large quantities of food.

There have been disastrous floods in the north, leading to a great cholera epidemic; banditry is rife; and altogether the suffering and confusion in China's once prosperous north-eastern provinces beggar description.

Japan's Financial Plight

In Japan itself the army and navy are in full control, though operating through a so-called National Government, and their policy is avowedly to detach Manchuria from China and set it up as an independent State under Japanese protection, just as after the Sino-Japanese War in 1894 Japan detached Korea from China and set it up as an independent empire whose defence and independence were guaranteed by Japan.

The economic and financial crisis in Japan is appalling. According to Ministry of Finance publications, the total revenue from taxes for the Budget year 1931-2 was 587,000,000 yen; this was 69,000,000 yen less than the previous year. Nevertheless the Budget for the coming year has been increased to 1,780,000,000 yen. The expected huge Budget deficit is to be covered by loans subscribed by the State Bank and the Deposit Office of the Ministry of Finance. These loans, which are a form of inflation, will almost certainly fail to cover the deficit. The trade balance shows an excess of imports over exports of 253,000,000 yen, not counting the huge foreign purchases of the Ministries for War and the Navy, which are not registered by the Customs. Interest and sinking fund on Government and private foreign loans for 1932 amount to 200,000,000 yen, and the gold reserve, which was 2,178,000,000 yen in 1920, had dropped to 820,000,000 yen on the eve of the Manchurian adventure, and in January, 1932, was only 430,000,000 yen. The yen, which is off the gold basis, is much less than its par value and sinking, and it is generally expected that Japan will be unable to meet her foreign obligation and will have to ask for a moratorium in view of the fact that she cannot raise any new foreign loans.

Her Desperate Peasantry

The great bulk of Japan's population are farmers and tenants, and of these about 70 per cent cultivate less than one hectare (two and a half acres) each. Landowners and usurers exact an extortionate rent of 50 per cent or more of the total rice crop; the market price of rice has fallen to below the cost of production, and that of raw silk, the other staple product, was last spring only one-third of the cost of production. The present indebtedness of the peasantry is about 6,500,000,000 yen, at an annual interest of 10 to 40 per cent. The interest on this indebtedness is as great as the value of the whole annual production of Japanese agriculture.

Before 1931—to-day the situation is much worse—not less than half of the country's Budget went to preparations for war and interest on war loans, while industries of military importance (pig iron, steel, shipping and shipbuilding, chemicals, &c.) are freed from taxation and heavily subsidised. Ultimately the resources necessary for this policy are derived through direct and indirect taxation of the peasantry.

It is no wonder that in whole provinces the peasants are living on grass roots, cattle feed, and fish entrails normally used for fertilizer, that they are selling their daughters to houses of prostitution, and even starving to death in large numbers. It is also no wonder that there are constant riots and fights between small farmers and tenants on the one hand and usurers and landowners on the other, that rent strikes on a large scale are spreading over the country, and that the Government and Parliament are at their wits' end how to raise money for relieving the countryside.

Her Treaty Embarrassments

These are the conditions in Manchuria and Japan to-day, and they are conditions that cannot but become aggravated so long as the Japanese militarist policy persists. Japan is simply not rich enough to conquer and organise a country as big as France and Germany combined, with 30,000,000 hostile inhabitants and bordering on a population of 400,000,000, which will do everything it can by boycott, agitation, and the supply of arms, munitions, money, and volunteers to make trouble for her in Manchuria.

The Japanese Government and army are, further, not a little hampered by the existence of Japan's treaty obligations. Under article 10 of the Covenant Japan has undertaken to respect China's territorial integrity and preserve them against external aggression; under article 1 of the Nine-Power Treaty she has undertaken to respect China's sovereignty, independence, and territorial and administrative integrity, and has further promised not to take advantage of the temporary embarrassments of China to obtain a position of predominance, but, on the contrary, to give China the fullest opportunity to develop a strong government of her own; under the Pact of Paris Japan has undertaken to renounce war as an instrument of national policy and not to seek the solution of any dispute or conflict, whatever its nature or origin, except by peaceful means.

The Commission of Inquiry

Matters are expected to come to a head when the Lytton Commission at long last makes its report. This Commission of Inquiry was set up by the Council at Japan's suggestion (made under American pressure) last December, and had as mandate an inquiry into any and every circumstance affecting Sino-Japanese relations. It has spent most of its time investigating the situation in Manchuria, although it has also heard the views of the two Governments. The Manchurian investigation has been extremely thorough in spite of every effort made by the Japanese on the spot to prevent access to the Commission, not only by Chinese but by independent foreigners.

But the dispute has become insoluble by conciliation owing to the long delay in the presentation of the Commission's report. This delay has been accompanied by the situation going from bad to worse—the setting up of the puppet Manchukuo State, the undeclared war at Shanghai, the long series of murders and upheavals in Japan that brought the army into full control behind the scenes, and generally the steady aggravation of the Far Eastern conflict owing to the feeble and nerveless handling of it by the Western Powers and the United States.

When the Japanese army ran amuck last September it took its own Government as well as the world by surprise. The Liberal Wakatsuki-Shidehara Government had initiated at Washington the policy of friendship with China and co-operation with the West for peace and disarmament. This Government was full conscious of its obligations under the Washington Nine-Power Treaty,

which it had helped to frame, and under the Covenant of the League. It was keenly sensitive to world public opinion and apprehensive of serious trouble with the Great Powers as a result of the army's outbreak. At the same time, following Japanese tradition, it could not disavow its army before the world.

The first impulse of the League Council was to act on the precedents already established by the League by asking Japan to withdraw her troops and re-establish the *status quo* and to accept an impartial inquiry on the spot as a preliminary to discussing the merits of the issue. This was what the Chinese demanded, and the Council found the Japanese wavering, under the impression that the demand would be endorsed not only by the League Council but by the United States. To the surprise and disappointment of the Council, Mr. Stimson then declared that he preferred to trust Baron Shidehara, who, if not pressed and made to lose face, would control his own militarists, but might fall a victim to nationalist resentment if the League tried to impose a committee of inquiry on Japan. The Council immediately fell in with this view, and thus made what has since been generally recognised, both by the State Department and in Geneva, to be a big mistake, depriving the Japanese moderates of their last argument against the militarists and giving the latter a sense of unbounded power and unique opportunity.

A month later the situation had got proportionately worse. The Council at its October meeting, after considerable hesitation and attempts at an almost wholly pro-Japanese solution, which Tokyo rejected, produced a resolution requesting Japanese troops to withdraw to the railway zone within three and a half weeks, appointing neutral observers to follow the process of withdrawal by the Japanese and taking over by the Chinese, and providing that there should be no negotiations on the merits of the dispute until withdrawal had become an accomplished fact. This resolution was accepted by the Chinese and rejected by the Japanese.

Council's Lost Opportunity

The United States maintained a cryptic silence for nearly three weeks, and then let it be known that it was not in favor of the time-limit but supported the rest of the resolution. In the subsequently published diplomatic correspondence between Japan and the United States there is a dispatch dated November 5 communicating to the Tokio Government the strong opinion of the United States that Japanese troops should be withdrawn before there were any negotiations on the merits of the dispute, since otherwise Japan would be open to the suspicion of seeking a settlement under military pressure.

When the Council met in Paris, therefore, in November it could have maintained the main lines of its October resolution, except for the fixed time-limit, with the support of the United States. Unfortunately the members of the Council, and particularly the all-important British member, were in an abject mood, and the United States was represented by General Dawes, who was, unhappily, less interested in a settlement of the Sino-Japanese conflict than in not spoiling his chances as a Republican Presidential candidate by too successful co-operation with the League. Instead of facing the issue the Council produced a resolution appointing a Commission of Inquiry with a vague mandate, but specifically excluding from its competence any "interference" with the military situation or direct negotiations if such took place, and leaving the Japanese a free hand to take such military action as they considered necessary for their "security" and the pursuit of bandits. Small wonder that Japanese military policy once more took heart.

Britain's Lost Opportunity

Meanwhile in Japan the moderate Minseito Government had disappeared, its Finance Minister had been assassinated, and the "strong" Conservative Government was also upset and its Prime Minister murdered by young officers as a preliminary to the army and navy taking full control under the camouflage of a National Government. At the Paris Council meeting M. Briand, as President of the Council, had promised the Chinese delegate that the Commission of Inquiry would be in Manchuria by the third week of January. The Commission reached Manchuria only late in April. By this time the Japanese had kidnapped Mr. Henri Pu-Yi and proclaimed the State of Manchukuo.

On January 7 a Note from the United States had in effect warned Japan that no *de facto* situation or treaty contrary to the obligations of the Paris Pact or to the Nine-Power Treaty would be recognised by the United

States. Washington made it clear that it hoped other Governments, and particularly Great Britain, would follow suit. Instead, on January 12 the British press published a Foreign Office communiqué stating that at the Paris Council meeting the Japanese delegate had promised Sir John Simon that Japan would respect the policy of the open door in Manchuria and that therefore the British Government saw no reason for endorsing the Stimson Note. As the British Government at Paris had been supposed to be putting pressure on Japan to give up the Chinese territory she had illegally seized, and as Great Britain as well as Japan was bound by the Nine-Power Treaty and the Covenant to respect China's independence and territorial and administrative integrity, this communiqué came as a painful surprise to Washington and to world public opinion.

Assembly's Lost Opportunity

On the eve of the extraordinary meeting of the League Assembly in March the State Department published and officially communicated to the League a letter from Mr. Stimson to Senator Borah. In this letter the United States Government announced that if the Nine-Power Treaty were torn up the Naval Treaty of Washington would become null and void and the United States would begin out-building Japan. It repeated the non-recognition doctrine in vigorous terms, and declared that the situation in China was utterly incompatible with the Nine-Power Treaty and the Paris Pact, and would never have arisen if these treaties had been observed. There was no evidence, it added, that scrupulous observance of these treaties was in any way incompatible with the safeguarding of any legitimate foreign interests in China.

Mr. Stimson was in Geneva during the meetings of the extraordinary Assembly, and in a discreet and somewhat vague manner encouraged the members of the League to stick to their obligations under the Covenant. A number of the smaller Powers put such pressure as they dared on the British Government to stand by its obligations in the Covenant, and were very much disgusted at the frank admission by the British Delegation in private conversations that Great Britain was not observing, and did not propose to observe, the Covenant in this dispute. After a stern struggle, in which Sir John Simon strove hard to prevent any action except a vague declaration of principles—he was insistent on getting a resolution that Japan could accept,—the Assembly on March 11 passed a resolution formally asserting the principle that no situation or treaty incompatible with article 10 of the Covenant, or with the Paris Pact, could be recognised by the members of the League. Some of the smaller Powers wished to apply this principle explicitly to the Manchurian situation as the United States had done in the Stimson-Borah letter, but this was defeated by Sir John Simon.

Drift

It is scarcely an exaggeration to say that our (British) Government has had no policy. If we had had a Government to-day with faith in the Covenant as a guarantee of world peace we should have had leadership by the British Government in a policy of isolating and putting pressure on Japan in co-operation with the United States. Instead we have been living from hand to mouth—first fervently hoping that the whole thing would blow over without anything particular having to be done, then furtively extracting a promise from treaty-breaking Japan that she would respect the open door for our trade in the territory she had illegally seized, timidly protesting when British business men in Manchuria nevertheless suffered and the smuggling of Japanese goods grew to fantastic proportions, going hat in hand to Tokio to ask when they would let us have back the British-built Peking-Mukden Railway they had seized and partially destroyed, hoping to snatch an extension of the extra-settlement roads out of the slaughter in Shanghai, and, above all, paying any price in self-respect at Geneva and in prestige throughout the East in order to avoid a break with Japan. Can this hopeless and helpless drift in the gathering storm be called a policy?

Sir John Simon's attitude to the Covenant has throughout been not that of a statesman honoring solemn treaty obligations and pinning his faith to a new world order that it had cost ten million dead to establish and that represents the world's hope of peace but that of a lawyer picking holes in a contract in the interests of a shady client. He has shown lawyer-like agility and readiness to adopt any and every argument, to resort

(Continued on page 431)

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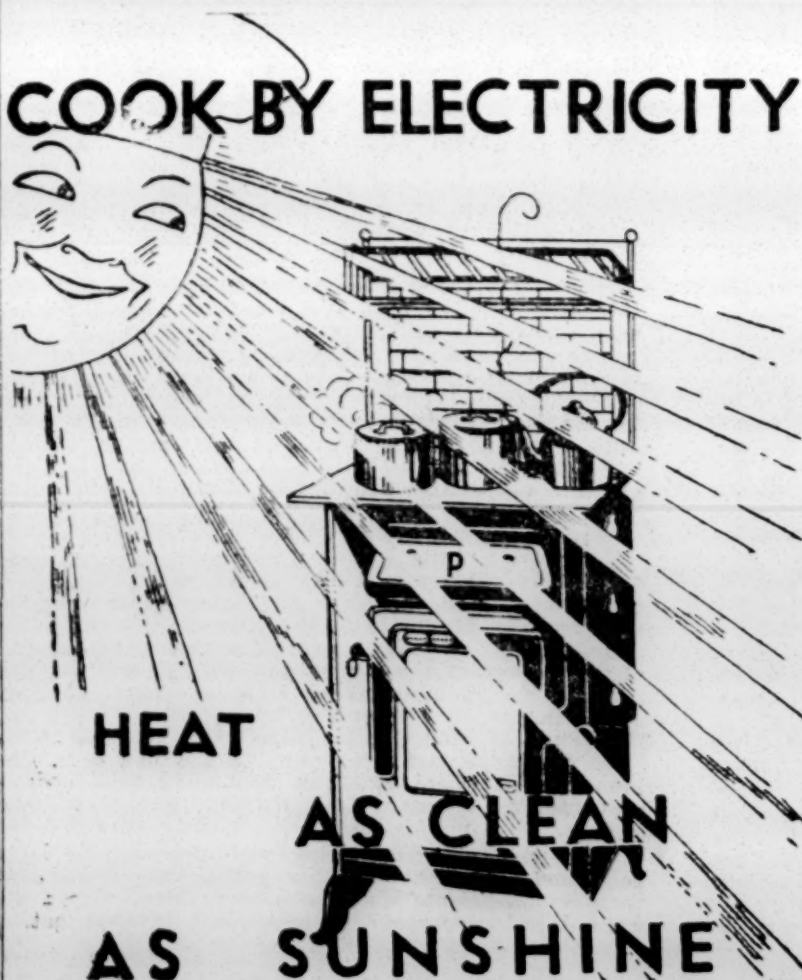
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What China's Silk Industry Needs the Most---Expert Advice or Financial Assistance?

BY PAUL K. WHANG (汪仲芳)

DESPITE internal strife and foreign aggression, the leading officials of the Chinese government have been still seeking the services of foreign experts to assist them in solving the hundred and one problems of reconstruction. Two Italian experts in the persons of Professor Gr. Uff. Carlo Dragoni and Dr. Guido Perris have just arrived to assist the Chinese government in the problems of rural economy. They were invited through the League of Nations for the purpose of aiding the National Economic Council at Nanking to devise land reforms and suggest better methods for the development of agriculture in China. A third League expert, Dr. Benito Mari, is now on his way to China to make a special investigation of the silk industry and trade.

The invitation of Professor Dragoni and Dr. Perris bespeaks the government's realization of the futility of trying to eradicate the communist menace by means of costly military campaigns. It may be recalled that some months ago T. V. Soong, Minister of Finance, in his letter of resignation, declared that the elimination of Red-banditry must be sought in the re-adjustment of the politico-economical situation. The truth of this statement has been generally accepted. Wang Shiao-lai, chairman of the Shanghai Chamber of Commerce, after a recent trip to Kiangsi, also came to the conclusion that the fundamental solution of the communist problem in China lies in the rehabilitation of the rural economy of the country. Thus the arrival of two League of Nations experts may mark the turning point of the government's policy in dealing with China's communist problem.

China's Siccultural Problems

However, no program of rural economic reconstruction will be complete without studying and taking into consideration China's sericultural problems. It must be said that the farming distress in Central China is to a certain extent accentuated by the failure of cocoon and silk business. In the past few years, the general business depression coupled with the poor cocoon harvests have hit the farmers in cocoon-producing districts especially hard, so much so that they no longer look upon silk-worm-raising as a profitable undertaking and have been transforming mulberry fields into rice fields. Although the cultivation of silkworms is still a sideline to the farmers, it nevertheless has a great bearing upon the well-being of the rural population in Central China. Therefore Dr. Mari's mission is expected to supplement the work of two other League experts in reconstructing China's rural economy.

While we may highly commend our government upon its solicitation of the services of foreign experts to reconstruct our country, we must guard ourselves not to be too optimistic over these government gestures. To solicit expert advice is one thing, but to carry it out is another thing. If we only invite the experts to come to us and have no mind to adopt their advice, their visits can not do us any good. Since the establishment of the National government, it has solicited advice from the League experts and international authorities on the problems of national finance, hygiene, transportation and other phases of reconstruction; but, sad to relate, much of this advice has remained on paper. The inability of our government to carry out this expert advice into practice has naturally made us suspect the real object of inviting these experts.

China is a large and undeveloped country, and any single phase of reconstruction, no matter whether it is financial or economic or agricultural, will involve a great amount of money. Financial difficulties may be given as the principal reason which has prevented the government from executing any ambitious plan of reconstruction. Unless the government can set aside a huge amount of money for the work of reconstruction every year, it seems to be futile to seek advice from foreign experts.

In rehabilitating China's silk industry, it seems to me that what we need the most is financial assistance rather than expert advice. For years, nay, for decades, we have been told to improve the quality of our silk so as to meet the requirements of our foreign customers. We have been told that the planting of mulberry trees must be

improved; that disease-free eggs must be introduced to our farmers; that new and better machines must be installed in our filatures; and that the present method of marketing silk must be changed. We have been made fully acquainted with the defects in our methods of producing cocoons and silk, but because of the lack of financial assistance from our government, we have not been able to initiate the reformations all at once.

In the past, much headway has already been made in the improvement of the quality of our cocoon and silk productions. Chinese silkmen with the support of foreign Chambers of Commerce at Shanghai organized in 1918 the International Committee for the Improvement of Sericulture in China. The work was started with Tls. 5,000 from each of the participating organizations. In recognition of the importance of the work the Chinese government gave a monthly grant of H.K. Tls. 4,000 to the Committee and in 1922 the grant was doubled, viz., H.K. Tls. 8,000 per month or Tls. 96,000 per year. This organization has contributed much to popularizing disease-free eggs among Chinese farmers and educating them as to their value in producing high grade cocoons.

Valuable assistance has also been secured from American silkmen who have either contributed money or skill to promote our silk industry. Through the efforts of D. E. Douty, a Shanghai International Testing House was established in 1922. This Sino-American organ during its existence educated Chinese silkmen on the requirements of American customers, the scientific methods of silk-production, and the worthiness of new machines in reeling and testing silk. It was finally incorporated into the Raw Silk Department of the Ministry of Industries in 1929, but its brief existence had given much impetus to the movement of reforming our silk industry.

Through the promotion of foreign silk experts, Chinese silkmen have learned the needed reforms of their cocoon and silk productions; but being handicapped by financial difficulty, they have not been able to adopt all the reforms. However, they have encouraged the production of disease-free cocoons by paying a higher price than that paid for the native cocoons. They have installed new machines in their filatures to test the quality of their production. And some of them have also built up new filatures equipped with modern machines. All these tend to show that they have been conscious enough to lend their weight to improving the quality of cocoon and silk production. Their efforts would bear much better results, had not the government in the meantime maintained an indifferent attitude by giving only some lukewarm support.

In view of the vastness of the problem, the rehabilitation of our silk industry can not be effected without adequate government support. Although the National government has shown much more sympathetic attitude toward our silkmen, it so far has not yet acted upon many of its promises. It has rendered some financial assistance to silkmen, but this financial assistance is too small to have any appreciable effect. At the time of business crisis, government assistance is more necessary than anything else to arrest the decline of our silk industry.

Curtailed Cocoon Production

Because of the business depression, farmers have found that silk-worm-raising is no longer a profitable undertaking, and therefore have very much curtailed their cocoon production. The cocoon production of Kiangsu and Chekiang this year is no more than one half of the production of last year, and will be even less next year, if the business continues in a slump. In Wusih and Kiangyin, the cocoon-producing center of Kiangsu, the tracts of mulberry fields have been reduced to one-third within the past five years. The situation in Chekiang and elsewhere is not any better. If this tendency continues, the downfall of silk industry is only a matter of time.

Likewise, silkmen, having sustained business losses continuously for the last few years, have closed down their establishments in a wholesale fashion. Those who are still in business are so pessimistic in their outlook

that they are no longer in their enthusiastic mood to remodel or reconstruct their old establishments with new machinery and equipments.

Thus the farmers and silkmen are both badly in need of relief from the government. In their distress, they may be more susceptible than otherwise of advices and suggestions relative to the better methods of producing cocoons and silk, but unless they are supplied with money, they are financially not in a position to introduce any reformations to their methods of cocoon and silk productions. The farmers must be furnished with money to cultivate the mulberry fields, to secure disease-free egg sheets, and to obtain new equipments in raising silk-worms. The silkmen must be financed in remodeling their old filatures with new machinery and in marketing their products. Unless accompanied by financial assistance, any advices and suggestions from foreign experts can not do any good to Chinese farmers and silkmen.

While expert advice may be needed, financial assistance is even more necessary. In inviting Dr. Mari to China, the Chinese government must see to it that enough money is appropriated for the purpose of carrying out his advice. Otherwise, it is doubtful if Dr. Mari's mission can accomplish anything in the rehabilitation of China's silk industry.

Shanghai, November 1, 1932.

BRITISH AND AMERICAN RESPONSIBILITY FOR WHAT JAPAN HAS DONE IN MANCHURIA

(Continued from page 428)

to any shift, in order to carry his immediate point, regardless of the wider consequences. A perfect example was his private insistence to the other delegates that the Hoover disarmament proposals must be discarded, for they would never be accepted by Japan, and without unanimous agreement there could be no disarmament.

In brief, the Sino-Japanese conflict has become the portentous thing it is to-day largely because our Government has abandoned the Covenant as the compass of our foreign policy and is drifting helplessly.

No Agreement on Outside Roads as Yet

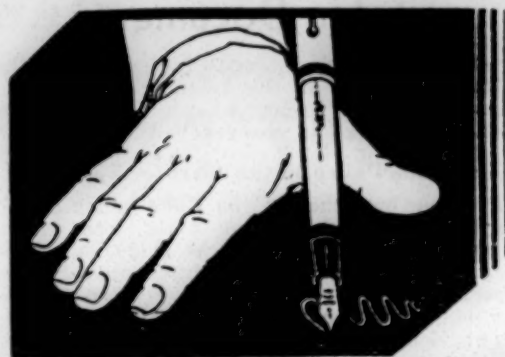
Stirling Fessenden, secretary-general of the Municipal Council, at the meeting of the Council last week reported that little progress had been made in negotiations with authorities of Greater Shanghai on the question of rendition of extra-Settlement roads to the Chinese government. Mr. Fessenden said several conversations have taken place with O. K. Yui, secretary-general of the Municipality of Greater Shanghai, since the last report was laid before the Council. However, no definite agreement had yet been reached, he said. The principles surrounding the issue of defining the legal status of the outside roads were agreed upon several months ago. Talks are said now to be centering around arrangements for policing, public works, public utilities and public health.

Japanese Hold Up Negotiations on Outside Roads

Negotiations between the City Government of Greater Shanghai and Shanghai Foreign Municipal Council on the extra-Settlement roads issue have been suspended with no prospect for an early resumption, according to the latest reports. Strenuous Japanese opposition to the principles guiding the present negotiations is said to be the main cause for the prolonged delay. The Japanese generally object to giving control of outside roads, on which many of their nationals live, back to the Chinese and it is due to the Japanese objections that progress on the road negotiations has been halted.

General Hayashi Resigns---Delinquencies by His Brother

General Senjuro Hayashi, director of military education at Tokyo, tendered his resignation October 29, taking responsibility for his younger brother's complicity in a Tokyo municipal scandal. General Hayashi was commander-in-chief of Korea at the outbreak of the Manchurian trouble. He succeeded General Muto as director of military training on May 26. General Muto's resignation was due to his assumption of responsibility for the participation of military cadets in the outrages on May 15, when Mr. Inukai, then premier, was fatally shot and an attempt was made to destroy power stations and commit other damage.



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Spies, "Mystery" Ships, and Stolen Documents

Recent telegrams from Japan indicated that the police of the various cities of the Island Empire have become supersensitive on the subject of spies, and it now appears that the fear of spies has also reached the American Fleet.

Kobe Police on the Alert for Spies

The various branches of the Kobe police have of late adopted the policy of detailing plain-clothes men to the harbor and vicinity to watch the ships, passengers and luggage. The customs officials have also been ordered to inspect baggage more strictly than before, and to examine goods leaving Kobe. The police are keeping a particularly vigilant watch over foreigners, especially those whose origins and personal histories are not clearly known. All these precautions are incidental to the "spy" scare that has overwhelmed Japan during the past several weeks, which included allegations against the National City Bank. Even so small a matter as the firing of a rocket from a foreign ship brings on a visit from the gendarmerie. These police movements coincide with the Army and Navy demands for increased appropriations and are probably inspired by them.

"Mystery Ship" Spies on American Fleet Outside San Pedro

A mysterious ship of unknown registry has been loitering in the vicinity of the American fleet maneuvers, apparently for purposes of observation, according to a recent telegram from San Pedro, the port for Los Angeles. It is alleged that when the U. S. S. *California* went to San Francisco recently it purposely made a leisurely trip of three days. A ship flying a foreign flag and having the lines of an oil tanker remained in the offing throughout the voyage, keeping in continual sight of the battleship. The slow speed was for no good reason, it was said. Ordinarily the voyage could be made in 24 hours. One of the newspapers said the navy would overhaul the mystery ship and question its officers if the vessel appears inside American territorial waters. The ship is within its rights, however, as long as it remains on the high seas.

[A possible explanation is that the "spy ship" is a rum runner. The description of its movements fits in exactly with that hypothesis.—Ed C.W.R.]

U. S. Rear-Admiral Says U. S. Has No Thought of War Against Japan

Rear-Admiral Yates Stirling, commander of the naval base at Honolulu and formerly commander of U. S. Yangtze patrol fleet, in a speech delivered on Navy Day (Oct. 27) aiming to allay the suspicions of Japan regarding Pacific fleet activities, said:

"While our diplomatic spokesmen and the League of Nations have not yet acquiesced in Japan's policies in the Far East, I am sure that our people have not the slightest thought of inyoking war or even sanctions to humiliate Japan," said the Admiral addressing his words to the Japanese of Hawaii. "Yet reports come from Japan that our protest to some of her policies are being taken as a veiled threat of war. It is reported that the people in Japan are being made to believe that the United States fleet was mobilized in the Pacific as a threat against their empire and not as an economy move as we all know here. I would like to have you Japanese here in Hawaii communicate with your countrymen in Japan and allay these suspicions, which are unfounded."

The Admiral explained that the United States fleet found that it was far more economical to operate as a unit in the Pacific than to keep half of the vessels in the Atlantic.

Sensation Caused at Honolulu by Removal of U. S. Documents

Two American soldiers were arrested at Honolulu Oct. 26 and made prisoners at Fort Shafter charged with removing confidential army documents from the files without permission. The arrest followed a raid on a bungalow at Waikiki beach, famous swimming and boating resort where the intelligence officers found a fully equipped plant for drafting and blue-printing military maps. It is alleged that the soldiers had taken the documents to the bungalow and there had set up their plant and were prepared to sell the confidential maps and other documents.

Train Ferry Pier to Be Built at Hsiakwan

Tenders are being invited by the Ministry of Railways for the construction of the Chungshan Pier at Hsiakwan, Nanking. According to plans of the Ministry, upon inauguration of the modern railway ferry service across the Yangtze River between Hsiakwan and Pukow, the Chengping wharf will be devoted exclusively to the loading and unloading of cargo, while the Chungshan Pier will be used solely for the use of passengers.

Chinese Municipality of Shanghai to Issue Bonds

J. K. Choy, Commissioner of Finance of the City Government of Greater Shanghai, end of last week officially announced that the proposed issue of \$6,000,000 municipal bonds redeemable within a period of 20 years will bear interest at 7 per cent per annum. Mr Choy said that he will have the whole bond issue underwritten at a net price of 80, and the underwriters will offer the bonds to the public at around 85. The money realized will be used principally for the rehabilitation of Chapei.

Chinese Government to Prevent Evasion of Gasoline Taxes

A responsible official of the Ministry of Finance was interviewed recently by a *Kuo Min* representative as to the report current in Shanghai that certain oil refining companies are being organized locally and have been granted the privilege of exemption of all Customs and other taxes for a period of five years. The official stated that he had no knowledge of such a report, but that in his opinion the process of distillation of kerosene and gasoline from crude oil or liquid fuel is such a simple one that it is not justifiable to grant exemption privileges. He further added that the Government would take strong steps to prevent the evasion of gasoline and kerosene taxes by the importation of crude oil or liquid fuel at low duty, and then refined in this country and sold for gasoline and kerosene.

Through Air Mail to Sian

Through air mail traffic between Hankow and Sian to be inaugurated shortly under agreement between the China National Aviation and Eurasia Aviation Corporations. With the present Nanking-Hankow and Nanking-Sian services in operation, mails destined for Sian from Hankow or vice versa will be sent via Nanking, delivery being made two days after posting of the letter. The through traffic agreement is effective also for intermediate points on the two airways.

For the time being, air mail postage on this new route will be 30 cents, being based upon the rate of 15 cents for each of the two airways.

B.A.T. Workers' Savings Scheme Is Great Help to Employees

Bringing the five-year savings plan for its Chinese employees to a successful conclusion, the British-American Tobacco Co. (China) Ltd., paid to the workers of the Pootung factories a total sum of Mex. \$295,000 last week. The workers' savings scheme devised by the company is in addition to the usual Chinese New Year bonus paid by the firm. Under the scheme, the company sets aside monthly five per cent. of each worker's wages. At the end of five years, the company adds to the account an equal amount thus saved. While 50 per cent. of the entire sum is to be withdrawn by each worker, the remaining 50 per cent. and interest will be paid to the worker in case of retirement or death.

Mission Press at Wuchow Destroyed by Fire

The Mission Press of the Christian and Missionary Alliance at Wuchow, Kwangsi Province, was destroyed by fire during last month, just before it was to have been removed to Shanghai. This was the principal publishing agency of the Alliance for Chinese Christian literature. The entire plant, consisting of machinery, printing presses, stocks of paper, etc. were lost, the value of same being upwards of \$50,000.

Japanese to Study American Silk Situation

The Japanese Ministry of Agriculture and Forestry will open a special office in New York before the end of the year for the purpose of conducting a technical survey of the raw silk situation in the United States, a recent Tokyo telegram announced. Seiji Yoshida, of the Yokohama Silk Conditioning House, has been selected to take charge of the new office, it was unofficially reported.

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Third Plenary Session of C. E. C. to Be Held Dec. 15

The resolution recently adopted at an informal meeting of the C. E. C. fixing December 15 as the date for the convocation of the 3rd plenary session of the Central Executive Committee was formally confirmed at a regular meeting of the Standing Committee of the C. E. C. at Nanking Oct. 27. The forthcoming plenary session will discuss various important questions relative to the country's foreign relations, domestic political reforms, and rehabilitation of the districts which have been recaptured from the Communist-bandits. *Kuo Min* states that all the C. E. C. members now engaged in the bandit-suppression campaign in the various Central China provinces are expected to be able to attend the session, as the campaign will have been brought to a successful conclusion by the time the session meets.

The total membership of the two Central Committees elected by the 4th National Congress of the Kuomintang, is 178, viz., 72 full members and 60 reserve members of the C. E. C., and 24 full members and 22 reserve members of the C. S. C. Of these, 23 members and 25 reserve members of the C. E. C., and 7 members and 6 reserve members of the C. S. C. are now in the Capital; the remainder is at present in various parts of the country.

Dr. Oong Wen-hao Appointed Director of Chinese Geological Survey

The appointment of Dr. Oong Wen-hao, the Director of the Chinese Geological Survey in Peiping, as Minister of Education in succession to Dr. Chu Chia-hua, is stated in a *Reuter* message from Peiping, to have been received in Chinese educational circles with great satisfaction.

According to a Chinese telegram from Nanking, Dr. Oong has indicated that he had decided not to accept the appointment on account of ill-health.

Dr. Oong is a returned student from Belgium and is regarded as one of the best geologists in China. Last year he served for a brief period as Acting President of Tsing Hua University and was well liked by teachers and students alike. He is a native of Ningpo, Chekiang.

United States Tightens Up Regulations on Foreign Students---Japanese Deported

The Supreme Court of the United States Oct. 17 approved the deportation of Yasuji Fujita, a Japanese professional wrestler and a student in several American universities. The court sustained the contention of the Department of Labor that Fujita's scholastic enrollments were not in good faith and that his real motive for being in the United States was to make money as a wrestler and not to improve his education in other lines. The Department of Labor contended that Fujita was not entitled to the status of classification as a student under the exemption from the Asiatic Exclusion Clause of the United States immigration law.

Fujita had entered the United States in 1926 and was registered as a student by several colleges on the Pacific Coast. He spent his summers working as a professional wrestler and this fact caused the Department of Labor to challenge his status.

The court decision upholds the action of the Department of Labor in withdrawing the privilege of engaging in part-time or vacation employment to pay their way through American schools, colleges or universities, from foreign students admitted without regard to quota limitations to study in educational institutions in the United States.

Japanese Pirate Manchester Trade-Marks in Indian Trade

A telegram from Manchester Oct. 27 stated that the Chamber of Commerce of that city is considering how to counter the action of Japanese manufacturers and traders, who, it is held, are seriously damaging the Lancashire cotton trade in India by copying English trade-marks and designs of English cloth. Lancashire is losing thousands of pounds every year by the alleged piracy of the Japanese. "No wise man would take legal action in India," said Sir Edward Rhodes, well-known Manchester merchant, "because the processes are so long and so uncertain. The Japanese know that and take advantage of it. They copy trademarks and designs without scruple."

Soviet's Vast Electrification Scheme for Siberia

(By an American Engineer in Siberia)

Irkutsk, (October)—The new province of East Siberia is twice as big as Germany, France, Italy and Poland together. But it is not the vast extent of this province which renders it important. Eastern Siberia—there is already no doubt about this—is the richest part of the whole of the Soviet Union in regard to minerals and water power.

Eastern Siberia is the Land of the Second Five-Year Plan

While the first five-Year Plan is creating the first two coal and ore combines of the Union: Krivoiurog-Don-Basin, Ural-Kusnetz—these second and third Five-Year Plans will create the third coal and ore basis—the coal and ore basis of Eastern-Siberia, which by its hydro-electric driven works will place everything hitherto known in this sphere in the shade.

It is quite impossible to convey in a short space a picture of all that is now being undertaken in Eastern Siberia. In order to gain some idea of the vast and multiple character of the undertakings, we need only mention the following: electricity, coal, iron-ore, zinc, platinum, gold, nickel, wolfram, bismuth, arsenic, timber and—thousands of miles of new railways. That suffices for the present. Everything that is now being done in Siberia is only regarded as preparatory work for the real work, which will commence in the year 1933.

The central problem is the problem of electricity. Eastern Siberia is being 100 per cent electrified; the new railways will be driven by electricity, the whole of industry will be electrified. Here, however, it is not a question of building one power works, as in Dnieprostroy. The Angarastroy is a whole system of water-power works distributed over an area which is at least half the size of Germany. In order to gain some idea of what enormous quantities of electric energy will be produced by the Angara system, we will give a few figures: whilst Dnieprostroy yields 560,000 kilowatts and produces about 2,000 million kilowatt hours a year, at the end of the second Five-Year period the Angara system will already produce 20,000 million kilowatt hours! One-fifth of the whole electric power of the Soviet Union will be supplied by this system. Of the 27 million kilowatt output which is to be achieved by water power at the commencement of the third Five-Year Plan, the Angara system alone will supply 16 millions! Whilst the Dnieprostroy can work 4,000 hours a year, the Baikalskaya works situated to the North of Irkutsk, owing to the favorable water conditions, will work 7,500 hours and with an output of 500,000 kilowatts produce 3,500 million kilowatt hours.

In the construction and designing bureau of Angarastroy near Irkutsk (a department of the "hydroelectricstroy" in Moscow) all scientific researches are being examined, the different variants discussed, expeditions equipped, and the preparations made for obtaining material and, not least also, for recruiting about 20,000 workers. The building itself will be undertaken in stages. The first building works will begin in 1933; at the end of the third Five-Year, i. e. in 1942, the whole Angara system is to be completed.

The construction of the Barchatovo power station, 20 kilometres North-East of the Cheremchovo coal centre, will be commenced first. The station will produce 800,000 kilowatts or 5,500 million kilowatt hours. There will follow the Baikalskaya power station, 8 kilometres North of Irkutsk, with the above-mentioned production figures. At the end of the second Five Years there will commence the construction of the two gigantic stations in the Taiga near Bratskoye. The one station, Padunskoye, will produce 2½ million kilowatts and 14,000 million kilowatt hours. At the end of the second Five Years the Krasnojarsk power works on the Yenissei will commence working, with an output of 450,000 kilowatts and 3,360 million kilowatt hours.

All this, however, is only the bare skeleton of the system!

What do these figures mean for the industrial development of Siberia? A little journey on a motor railway from Irkutsk to Cheremchovo serves to give us a faint idea. Cheremchovo, which supplies the cheapest coal in the Soviet Union, occupies a second place among all the coal deposits of the Soviet Union. In the near environs of Cheremchovo alone there are about 1,000

million tons of coal. In the environs of Irkutsk about 50 million tons etc. Hitherto the output of Cheremchovo has been about 2½ million tons a year. Cheremchovo coal is now being transported by rail to the Angara in the neighborhood of the Barchatovo station, where the following will spring up: an electro-steel combine, an aluminum combine, and a coal liquefaction combine, as the Cheremchovo coal is rich in volatile gases. One of the long-distance electric power stations (to be driven at first by steam turbines) is under construction; it is not yet completed and is already being extended. During our short trip, however, we saw the following: at every river which we crossed huge timber camps and saw mills are springing up. East Siberia will have two kinds of timber industry: on the Yenissei it will produce timber for export, and on the other rivers cellulose wood; to this is to be added building timber, etc.

This does not exhaust the vast potentialities of East Siberia. In Irkutsk one is told of deposits of gold and platinum, of nickel and wolfram. Port Igraka on the Yenissei (in the year 1929 a pioneer colony of 400 people and today a town with 12,000 inhabitants) is already under construction, and will commence work in 1933.

One thing more in conclusion: at the present moment Irkutsk has a population of about 100,000. Of these 12,000 are students. Here there are not less than 50 higher educational institutions. Two daily papers appear in Irkutsk. No less than 54 small local papers appear in the whole district. Work is just commencing on the publication of text books for the various Northern peoples living in this region, all of whom have been granted autonomy. O.H.

Chinese Newspaper Publisher Becomes Chairman of City Board

Sze Liang-zai, publisher of the *Shun Pao* (leading Chinese daily newspaper in Shanghai) has been elected chairman of the Provisional Board of councillors of the City Government of Greater Shanghai. The Board has altogether 19 members.

Mr. Sze was born in Nanking in 1879. He received his degree of B. A. by imperial examination when he was 20 years of age. At 25, he gave up scholastic endeavors to study sericulture. Later he was the first person to start a woman's sericulture school in Shanghai. Between 1910 and 1915, he held various positions in the government, including the post of director of the Salt Administration Bureau of Soochow and Shanghai Circuits, director of the Shanghai Loan Administration Bureau, and also director of the Customs Revenue Administration of the Shanghai Circuit during both the Ching and the Republican regimes. He became the manager of the *Shun Pao* in 1914 when the paper was still in a precarious condition in view of its finance and circulation. Under his capable administration the paper has grown to be one of the largest newspapers in the country with a daily circulation of 150,000.

Mr. Sze is also one of the most prominent persons among the local Chinese gentry in educational, social and philanthropic endeavors, being the director of a number of universities, hospitals, and philanthropic societies. He is also one of the most successful business promoters in Shanghai, being financially interested in several banks, drug stores, cotton yarn factories and book stores.

Y. W. C. A. Does Excellent Work for Women in Rural Communities

The National Committee of the Y.W.C.A., of which Mrs. C. C. Chen is Chairman, is actively engaged in extending the services provided by the Association, in connection with which a very informative news bulletin is provided. Among the practical activities carried on by the Association is Rural Work. Four widely separated areas with different local conditions were chosen as centers for work: Manchuria, with its great spaces where women have greater freedom; Shantung, with its reverence for ancient culture, but with women bound by local customs; Kwangtung, the birth place of all the revolutions with women keen to have an active part in new movements; and lower Kiangsu, in the Wu dialect area where there is an intermingling of rural and industrial villages. So far no center has been opened in Kiangsu. The Association has described the work being done for women in handsomely printed and illustrated booklets both in English and in Chinese.

Shanghai District Court Holds That Sino-Japanese Hostilities Were "War"

Judge Yang Pang of the First District (Chinese) Court in Shanghai Oct. 28 decided in connection with a shipping case that was brought before the court that the Sino-Japanese clash at Shanghai at the beginning of the year was "war" within the meaning of the law. In the case in question the Yuan An Steamship Co. had sued the Chung Wei Steamship Co. for a refund of freight, coal and advances in the sum of \$14,150 with interest and costs, but the Court dismissed their claim other than a sum of \$3,800.81 which was allowed for advances. The case concerned a charter party entered into between the plaintiffs and the defendants on December 5, 1931, for s.s. *Tai Ping* for a term of three months at a monthly freight of \$13,500. The charter party provided: "Should China go into war with any foreign Power, by which this charter party may be embarrassed, either side has the option of cancelling this charter without prejudice or claim." The vessel was delivered to the plaintiffs on December 26, 1931, and the plaintiffs thereupon paid to the defendants the freight in advance and further on January 26, 1932, paid to the defendant freight for another month. Two days later, the Sino-Japanese hostilities broke out and plaintiffs on February 3, 1932, gave notice to the defendants to cancel the charter party as from that date. The defendants refused to cancel the charter party on the ground that the Sino-Japanese hostilities did not constitute a "war." The defendants also refused to refund the freight and advances made on the steamship.

Counsel for defendant argued that plaintiffs could have made use of the vessel in all ports along the China coast and, at the time of the outbreak of hostilities the vessel was in Tientsin and was scheduled to sail for Canton. The charter party in question was not in any way embarrassed as navigation was not interfered with by the hostilities even in Shanghai, defence counsel argued.

The Court in giving its decision held that the fighting in the Shanghai area was "war" in a legal sense; therefore the plaintiffs had a right to cancel the charter. However the charter money for the month had already been paid, and as the charterer cancelled the contract only after the journey had been commenced the charterer, could not recover the freight. The plaintiffs, however were entitled to refund for advances on coal, etc.

National Medical College Observes 20th Anniversary

The 20th anniversary of the founding of the National Medical College was celebrated at Peiping Oct. 26, when more than 300 students and guests were present. Dr. Wu Hsiang-feng, director of the College, presided and gave a brief sketch of the history of the school. He paid a warm tribute to Dr. Tang Erh-ho, the founder and first president of the College, saying that the school owed its present development to the efforts of Dr. Tang.

Roger S. Greene, acting director of the Peking Union Medical College, was among the speakers.

German Legacy Furnishes Funds to Print Chinese Classics

Part of the legacy of Herr Bass, the eccentric German citizen who recently died in Italy leaving his entire fortune to China, will be devoted to the printing of the "Ssu-Ku-Chuan-Shu," a complete library of the 13 Classics, History of the 24 Dynasties and writings of the Ancient Philosophers and the Scholars.

Li Shih-tseng, who is at the head of the Educational Investigation Mission now in France, sent a telegram to Mayor Chou Ta-wen of Peiping last week giving details of the publication.

Vice-Minister of Communications Resigns

Chen Fu-moo, vice-Minister of Communications, end of last week sent his resignation to Nanking, at the same time requesting to be released from his concurrent post as government superintendent of the China Merchants' Steam Navigation Company here. Mr. Chen stated that he felt himself incompetent to direct the affairs of the Chinese shipping concern which is in financial difficulties and has failed to pay its employees for nearly three months.

"The Seaboard Route to the North"

Travel on The

Peping-Liaoning Line

Starting at Peping, the ex-capital of China, called the most interesting city in Asia, with its intricate systems of walls, its Imperial palaces and its beautiful temples and tombs the Peping-Liaoning Line goes down to Tientsin, the great port of Chihli, and from there swings in a wide circle on its pathway to the north. From Lanchow to Chinchow the railway follows the line of the Gulf of Chihli, passing through Shanhaikwan, where the Great Wall ends at the sea, and thence on to Mukden, the ancestral home of the Manchus, a city which vies with Peping in its splendor of palaces and temples and ancient shrines.

Through tickets are issued and passenger's baggage registered through between the important stations on the Peping-Liaoning Railway and the South Manchuria, Chosen (Korean) and Imperial Japanese Government Railways. At Peiping connections can be made with the Peping-Hankow Railway and with the Peping-Suiyuan Railway and at Tientsin connections can be made with the Tientsin-Pukow Railway, for Tsinanfu, Nanking and Shanghai.

For information as to rates, schedules, accommodations, etc. apply to any Tourist Bureau, or communicate directly with the Superintendent of Transportation.

IMPORTANT NOTICE

Owing to the Japanese occupation of Manchuria, tickets are only sold to Shanhaikwan where the Peping-Liaoning Railway crosses the Great Wall. The Chinese Government Railways assume no responsibility for transportation or safety of passengers beyond Shanhaikwan.

Peping-Liaoning Railway

Head Office

TIENTSIN

An Advertisement of the Chinese Government Railways

No. 2

Full Text of Lytton Commission of Enquiry's Report

The publication of the full text of the Lytton Commission's Report was commenced in "The Review" of Oct. 22 and will be continued until the end of the eighth chapter is reached. The ninth and tenth (concluding) chapters were printed in full in the Oct. 15 issue of "The Review."

IV.—The Sino-Japanese Treaty and Notes of 1915 and Related Issues

With the exception of the railway controversies the Sino-Japanese issues of greatest importance which were outstanding in September, 1931, were those which arose from the Sino-Japanese treaties and notes of 1915, which in turn were a result of the so-called "Twenty-one Demands." These issues mainly concerned South Manchuria and Eastern Inner Mongolia, since with the exception of the question of the Hanyehping Mine (near Hankow) the other agreements negotiated in 1915 had either been replaced by new ones, or had been voluntarily given up by Japan. The controversies in Manchuria were over the following provisions:

- (1) the extension of the term of Japanese possession of the Kwantung Leased Territory to ninety-nine years (1997);
- (2) the prolongation of the period of Japanese possession of the South Manchuria Railway and the Mukden-Antung Railway to ninety-nine years (2002 and 2007 respectively);
- (3) the grant to Japanese subjects of the right to lease land in the interior of "South Manchuria, i.e., outside those areas opened by treaty or otherwise to foreign residence and trade;
- (4) the grant to Japanese subjects of the right to travel, reside and conduct business in the interior of South Manchuria and to participate in joint Sino-Japanese agricultural enterprises in Eastern Inner Mongolia.

The legal right of the Japanese to enjoy these grants and concessions depended entirely upon the validity of the treaty and notes of 1915, and the Chinese continuously denied that these were binding upon them. No amount of technical explanation or argument could divest the minds of the Chinese people, officials or laymen of their conviction that the term "Twenty-one Demands" was practically synonymous with the "Treaties and Notes of 1915" and that China's aim should be to free herself from them. At the Paris conference, 1919, China demanded their abrogation on the ground that they had been concluded "under coercion of a Japanese ultimatum threatening war." At the Washington conference, 1921-22, the Chinese delegation raised the question "as to the equity and justice of these agreements and therefore as to their fundamental validity," and in March 1923, shortly before the expiration of the original twenty-five year lease of the Liaotung (Kwantung) territory which China granted in 1898 to Russia, the Chinese Government communicated to Japan a further request for the abrogation of the provisions of 1915, and stated that "The Treaties and Notes of 1915 have been consistently condemned by public opinion in China." Since the Chinese maintained that the agreements of 1915 lacked "fundamental validity," they declined to carry out the provisions relating to Manchuria except in so far as circumstances made it expedient to do so.

The Japanese complained bitterly of the consequent violations of their treaty rights by the Chinese. They contended that the treaties and notes of 1915 were duly signed and ratified and were in full force. To be sure, there was a considerable body of public opinion in Japan which from the first did not agree with the "Twenty-one Demands;" and more recently, it has been common for Japanese speakers and publicists to criticize this policy. But the Japanese Government and people appeared unanimous in insisting upon the validity of these provisions which related to Manchuria.

Lease Extension Important

Two important provisions in the treaty and notes of 1915 were those for the extension of the lease of the Kwantung Territory from 25 to 99 years, and of the concessions of the South Manchuria and the Mukden-Antung railways to a similar period of 99 years. For the dual reasons that these extensions were a result of the 1915 agreements and that recovery of the territories originally leased by former Governments was included in the Nationalist "Rights Recovery" movement, directed against foreign interests in China, the Kwantung Leased Territory and the South Manchuria Railway were made objects, at various times, of agitation and even diplomatic representation on the part of the Chinese. The policy of Marshal Chang Hsueh-liang of declaring Manchuria's allegiance to the Central Government and of permitting the spread of Kuomintang influence in Manchuria made these issues active after 1928, although they remained in the background of practical politics.

Associated also with the treaty and notes of 1915 was the agitation for the recovery of the South Manchuria Railway, or for stripping that institution of its political character in order to reduce it to a purely economic enterprise. As the earliest date fixed for the recovery of this railway on repayment of the capital and interest outlay was 1939, the mere abrogation of the 1915 treaties would not in itself have recovered the South Manchuria Railway for China. It was extremely doubtful whether China, in any case, would have been able to obtain the capital for this purpose. The occasional utterances of Chinese Nationalist spokesmen, urging recovery of the South Manchuria Railway, served as an irritant to the Japanese, whose legitimate rights and interests were thereby threatened.

The disagreement between the Japanese and Chinese as to the proper functions of the South Manchuria Railway continued from the time of the railway company's organization in 1906. Technically, of course, the railway company is organized under Japanese law as a private joint stock enterprise, and is quite beyond the pale of Chinese jurisdiction in practice. Particularly since 1927, there had been an agitation among Chinese groups in Manchuria for divesting the South Manchuria Railway of its political and administrative functions and converting it into a "purely commercial enterprise." No concrete plan for achieving this end seems to have been proposed by the Chinese. The railway company was in fact a political enterprise. It was a Japanese Government agency, the Government controlling a majority of its shares; its administrative policy was so closely controlled by the Government that the company's higher officials were almost invariably changed when a new Cabinet came into power in Japan. Moreover, the company had always been charged, under Japanese law, with broad political administrative functions, including police, taxation and education. To have divested the company of these functions would have been to abandon the entire "special mission" of the South Manchuria Railway, as originally conceived and subsequently developed.

Numerous issues arose in regard to the administrative rights of the Japanese within the South Manchuria Railway area, especially as

to the acquisition of land, the levying of taxes and the maintenance of railway guards.

15 Municipalities Included

The railway area includes, in addition to a few yards on each side of the railway tracks, fifteen municipalities, termed Japanese "railway towns," situated along the entire system of the South Manchuria Railway from Dairen to Changchun and from Antung to Mukden. Some of these railway towns, such as these at Mukden, Changchun and Antung, comprise large sections of populous Chinese cities.

The right of the South Manchuria Railway to maintain practically complete municipal governments in the railway area rested legally upon a clause in the original Russo-Chinese Railway Agreement of 1896, which gave the railway company "absolute and exclusive administration of its lands." The Russian Government, until the Sino-Soviet Agreement of 1924, and later the Japanese Government, which acquired the original rights of the Chinese Eastern Railway so far as concerned the South Manchuria Railway, interpreted this provision as granting political control of the railway area. The Chinese always denied this interpretation, insisting that other provisions in the treaty of 1896 made it clear that this clause was not intended to grant such broad administrative rights as control of police, taxation, education and public utilities.

Disputes regarding the acquisition of land by the railway company were common. By virtue of one of the clauses of the original agreement of 1896, the railway company had the right to acquire by purchase or lease private lands "actually necessary for the construction, operation and protection of the line." But the Chinese contended that the Japanese attempted to make improper use of this right, in order to obtain additional territory. The result was almost continuous controversy between the South Manchuria Railway Company and the Chinese local authorities.

Conflicting claims as to the right to levy taxes within the railway area led to frequent controversy. The Japanese based their claim upon the original grant to the railway company of the "absolute and exclusive administration of its lands;" the Chinese, upon the rights of the sovereign state. Speaking generally, the *de facto* situation was that the railway company levied and collected taxes from Japanese, Chinese and foreigners residing in the railway areas, and that the Chinese authorities did not exercise such authority, although they claimed the legal right to do so.

A type of controversy which was frequently arising was where the Chinese attempted to tax produce (such as soya bean shipments), which was being carted to the South Manchuria Railway towns for transport by rail to Dairen over the Japanese line. This was described by the Chinese as a uniform tax, necessarily to be collected at the boundaries of the Japanese "railway towns," since to refrain from doing so would have been to discriminate in favor of produce carried by the South Manchuria Railway.

The issues as to Japanese railway guards led to almost continuous difficulty. They were also indicative of a fundamental conflict of state policies in Manchuria already referred to and were the cause of a series of incidents, resulting in considerable loss of life. The legal basis of Japan's alleged right to maintain these guards was the oft-quoted clause in the original Agreement of 1896 which granted to the Chinese Eastern Railway "the absolute and exclusive right of administration of its lands." Russia maintained, and China denied, that this gave the right to guard the railway line by Russian troops. In the Portsmouth Treaty, 1905, Russia and Japan, as between themselves, reserved the right to maintain railway guards "not to exceed 15 men per kilometer." But in the subsequent Treaty of Peking, signed by China and Japan later in the same year, the Chinese Government did not give its assent to this particular provision of the agreement between Japan and Russia. China and Japan, however, did include the following provision in Article II of the Additional Agreement of December 22, 1905, which is an annex to the Sino-Japanese Treaty of Peking of that date:

"In view of the earnest desire expressed by the Imperial Chinese Government to have the Japanese and Russian troops and railway guards in Manchuria withdrawn as soon as possible, and in order to meet this desire, the Imperial Japanese Government, in the event of Russia agreeing to the withdrawal of her railway guards, or in case other proper measures are agreed to between China and Russia, consent to take similar steps accordingly. When tranquility shall have been re-established in Manchuria and China shall have become herself capable of affording full protection to the lives and property of foreigners, Japan will withdraw her railway guards simultaneously with Russia."

Tranquillity Denied

It is this article upon which Japan based her treaty right. Russia, however, long since withdrew her guards and she relinquished her rights to keep them by the Sino-Soviet Agreements of 1924. But Japan contended that tranquillity had not been established in Manchuria, and that China was not herself capable of affording full protection to foreigners; therefore she claimed that she still retained a valid treaty right to maintain railway guards.

Japan has appeared increasingly inclined to defend her use of these guards less upon treaty right than upon the ground of "absolute necessity under the existing state of affairs in Manchuria."

The Chinese Government consistently controverted the contention of Japan. It insisted that the stationing of Japanese railway guards in Manchuria was not justified either in law or in fact, and that it impaired the territorial and administrative integrity of China. As to the stipulation in the Sino-Japanese Treaty of Peking, already quoted, the Chinese Government contended that this was merely declaratory of a *de facto* situation of a provisional character, and that it could not be said to confer a right, especially of a permanent character. Moreover, it claimed that Japan was legally obliged to withdraw her guards, since Russia had withdrawn hers, tranquillity had been re-established in Manchuria, and the Chinese authorities were able to give adequate protection to the South Manchuria Railway, as they were doing for other railway lines in Manchuria, provided the Japanese guards would permit them to do so.

The controversies which arose regarding the Japanese railway guards were not limited to their presence and activities within the railway area. These guards were regular Japanese soldiers, and they frequently carried their police functions into adjoining districts or con-

ducted maneuvers outside the railway areas, with or without the permission of, and with or without notification to, the Chinese authorities. These acts were particularly obnoxious to the Chinese, officials and public alike, and were regarded as unjustifiable in law and provocative of unfortunate incidents.

Frequent misunderstandings and considerable damage to Chinese farm crops resulted from the maneuvers, and material remuneration failed to alleviate the hostile feelings thus aroused.

Closely associated with the question of the Japanese railway guards was that of the Japanese Consular Police. Such police were attached to the Japanese Consulates and branch Consulates in all the Japanese consular districts in Manchuria, not only along the South Manchuria Railway, but in such cities as Harbin, Tsitsihar and Manchuli, as well as in the so-called "Chientao District," the area in which lived a large number of the Koreans resident in Manchuria.

The Japanese claimed that the right to maintain consular police was a corollary to the right of extraterritoriality; that it was merely an extension of the judicial functions of the consular courts, these police being necessary to protect and discipline Japanese subjects. In fact, Japanese consular police, in smaller numbers, have also been attached to Japanese consulates in other parts of China, contrary to the general practice of countries having extraterritorial treaties.

Japan Considers Police a Necessity

As a practical matter, the Japanese Government apparently believed that the stationing of consular police in Manchuria was a necessity under the conditions which prevailed there, especially in view of the importance of the Japanese interests involved, and the large number of resident Japanese subjects, including Koreans.

The Chinese Government, however, always contested this position advanced by Japan as justification for stationing Japanese consular police in Manchuria, and sent frequent protests to Japan on the subject. She claimed that there was no necessity to station Japanese police officers anywhere in Manchuria, that the question of police could not be associated with extraterritoriality, and that their presence was without treaty basis and a violation of China's sovereignty.

Whether justified or not, the presence of consular police led in a number of cases to serious conflicts between members of their force and those of the local Chinese authorities.

The Sino-Japanese Treaty of 1915, provided that "Japanese subjects shall be free to reside and travel in South Manchuria and to engage in business and manufacture of any kind whatsoever." This was an important right, but one which was objectionable to the Chinese since in no other part of China were foreigners as a class permitted to reside and to engage in business outside the treaty ports. It was the policy of the Chinese Government to withhold this privilege until extraterritoriality should be abolished and foreigners should be subject to Chinese laws and jurisdiction.

In South Manchuria, however, this right had certain limitations: the Japanese were required to carry passports and observe Chinese laws and regulations while in the interior of South Manchuria; but the Chinese regulations applicable to Japanese were not to be enforced until the Chinese authorities had first "come to an understanding with the Japanese Consul."

On many occasions the action of the Chinese authorities was inconsistent with the terms of this agreement, the validity of which they always contested. The fact that restrictions were placed upon the residence, travel and business activities of Japanese subjects in the interior of South Manchuria, and that orders and regulations were issued by various Chinese officials prohibiting Japanese or other foreigners from residing outside the treaty ports from renewing leases of buildings is not contested in the documents officially presented to the commission by the Chinese assessor. Official pressure, sometimes supported by severe police measures, was exerted upon the Japanese to force them to withdraw from many cities and towns in South Manchuria and eastern Inner Mongolia, and upon Chinese property owners to prevent them from renting houses to Japanese. It was stated by the Japanese that the Chinese authorities also refused to issue passports to Japanese, harassed them by illegal taxes, and for some years before September, 1931, failed to carry out the stipulation in the agreement by which they had undertaken to submit to the Japanese Consul the regulations which were to be binding upon the Japanese.

Chinese Intended Restriction

That object of the Chinese was the execution of their national policy of restricting the exceptional privileges of Japanese in Manchuria and thus strengthening the control of China over these Three Eastern Provinces. They justified their actions on the ground that they regarded the Treaty of 1915 as without "fundamental validity." They pointed out, moreover, that the Japanese attempted to reside and conduct business in all parts of Manchuria, although the treaty provision was limited to South Manchuria.

In view of the conflicting national policies and aims of China and Japan it was almost inevitable that continuous and bitter controversies should arise over this treaty provision. Both countries admit that the situation was a growing irritant in their mutual relations up to the events of September, 1931.

Closely associated with the right to reside and to do business in the interior of South Manchuria was the right to lease land, which was granted to Japanese by the Treaty of 1915 in the following terms: "Japanese subjects in South Manchuria may, by negotiation, lease land necessary for erecting suitable buildings for trade and manufacture or for prosecuting agricultural enterprises." An exchange of notes between the two Governments at the time of the treaty defined the expression "lease by negotiation" to imply, according to the Chinese version, "a long-term lease of not more than thirty years and also the possibility of its unconditional renewal;" the Japanese version simply provided for "leases for a long term up to thirty years and unconditionally renewable." Disputes naturally arose over the question whether the Japanese land leases were, at the sole option of the Japanese, "unconditionally renewable."

The Chinese interpreted the desire of the Japanese to obtain lands in Manchuria, whether by lease, purchase or mortgage as evidence of a Japanese national policy to "buy Manchuria." Their authorities therefore very generally attempted to obstruct efforts of the Japanese to this end, and became increasingly active in the three or four years preceding September, 1931, a period during which the Chinese "Rights Recovery Movement" was at its height.

In making strict regulations against the purchase of land by the Japanese, their ownership of it in freehold, or their acquisition of a lien through mortgage, the Chinese authorities appeared to be within their legal rights since the treaty granted only the privilege of leasing land. The Japanese, however, complained that it was not in conformity with the spirit of the treaty to forbid mortgages upon land.

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Chinese officials, however, did not accept the validity of the treaty and consequently put every obstacle in the way of Japanese leasing land, by orders, provincial and local, calculated to make the leasing of lands to Japanese punishable under the criminal laws; by imposition of special fees and taxes payable in advance on such leases; and by instructions to local officials prohibiting them under threat of punishment, from approving such transfers to Japanese.

In spite of these obstacles, great tracts of land have, as a matter of fact, not only been leased by the Japanese, but actually obtained in freehold—although the titles might not be recognized in a Chinese court—through outright purchase, or by the more usual means of foreclosing a mortgage. These mortgages on land have been obtained by Japanese loan operators, especially large loan associations, certain of which have been organized especially for the purpose of acquiring land tracts. The total area of lands leased to Japanese in the whole of Manchuria, and in Jehol, according to Japanese official sources, increased from about 80,000 acres in 1922-1923 to over 500,000 acres in 1931. A small proportion of this total was in North Manchuria where the Japanese had no legal right under Chinese law and international treaty to acquire land leases.

Due to the importance of this land lease issue there were at least three attempts during the decade preceding 1931, to reach some agreement by direct Sino-Japanese negotiation. A possible solution which there is reason to believe was under consideration would have treated together the two subjects of land leasing and the abolition of extraterritoriality: in Manchuria the Japanese were to surrender extraterritoriality and the Chinese were to permit the Japanese to lease land freely. But the negotiations were unsuccessful.

This long-standing Sino-Japanese controversy over the right of Japanese to lease land arose like the other issues already mentioned out of the fundamental conflict between rival state policies, the allegations and counter statements concerning violation of international agreements being less consequential in themselves than the underlying objectives of each policy.

V.—The Korean Problem in Manchuria

The presence of about 800,000 Koreans in Manchuria, who possess Japanese nationality under Japanese law, served to accentuate the conflict of policies of China and of Japan. Out of this situation there arose various controversies, in consequence of which the Koreans themselves were victimized, being subjected to suffering and brutalities.

Chinese opposition to Korean acquisition, by purchase or lease, of land in Manchuria, was resented by the Japanese, who claimed that the Koreans were entitled, as Japanese subjects, to the privileges of land leasing acquired by Japan in the Treaty and Notes of 1915. The problem of dual nationality also arose, as the Japanese refused to recognize the naturalization of Koreans as Chinese subjects. The use of Japanese consular police to invigilate and protect the Koreans was resented by the Chinese and resulted in innumerable clashes between Chinese and Japanese police. Special problems arose in the Chientao District, just north of the Korean border, where the 400,000 Korean residents outnumber the Chinese by three to one. By 1927 these questions led the Chinese to pursue a policy of restricting the free residence of Koreans in Manchuria, a policy which the Japanese characterized as one of unjustifiable oppression.

The status and rights of Koreans in Manchuria are determined largely in three Sino-Japanese agreements, viz., the Agreement relating to the Chientao Region, September 4, 1909, the Treaty and Notes of May 25, 1915, concerning South Manchuria and Eastern Inner Mongolia, and the so-called "Mitsuya Agreement" of July 8, 1925. The delicate question of dual nationality in the case of the Koreans has never been regularized by Sino-Japanese agreement.

By 1927 the Chinese authorities in Manchuria generally came to believe that the Koreans had become, in fact, "a vanguard of Japanese penetration and absorption" of Manchuria. In this view, so long as the Japanese refused to recognize the naturalization of Koreans as Chinese subjects, and especially since the Japanese consular police constantly exercised surveillance over Koreans, the acquisition of land by Koreans, whether by purchase or lease, was an economic and political danger "which threatened the very existence of Chinese people in Manchuria."

The view was prevalent among the Chinese that the Koreans were being compelled to migrate from their homeland in consequence of the studied policy of the Japanese Government to displace Koreans with Japanese immigrants from Japan, or to make life so miserable for them, politically and economically, especially by forcing them to dispose of their land holdings, that emigration to Manchuria would naturally follow. According to the Chinese view, the Koreans, being an "oppressed race" ruled by an alien Government in their own land, where the Japanese monopolized all the important official posts, were forced to migrate to Manchuria to seek political freedom and an economic livelihood. The Korean immigrants, ninety per cent of whom are farmers, and almost all of whom are cultivators of rice-fields, were thus at first welcomed by the Chinese as an economic asset and favored out of a natural sympathy for their supposed oppression. They contended that, but for the Japanese refusal to permit Koreans to become naturalized Chinese subjects and the Japanese policy of pursuing them into Manchuria on the pretext of offering them necessary police protection, this Korean colonization in Manchuria would have created no major political and economic problems. The Chinese deny that the efforts admittedly made by their officials in Manchuria, especially after 1927, to restrict the free settlement of Koreans on the land in Manchuria except as mere tenants or laborers, can be regarded as instances of "oppression."

Japan Denies Accusations

The Japanese admit that the Chinese suspicion was the principal cause of Chinese "oppression" of the Koreans, but vigorously deny the allegation that they pursued any definite policy of encouraging Korean migration to Manchuria, stating that "Japan having neither encouraged nor restricted it, the Korean emigration to Manchuria must be regarded as the outcome of a natural tendency," a phenomenon uninfluenced by any political or diplomatic motives. They therefore declare that "the fear on the part of China that Japan is plotting the absorption of the two regions by making use of Korean immigrants is entirely groundless."

These irreconcilable views intensified such problems as those related to the leasing of land, questions of jurisdiction and the Japanese consular police, these having created a most unfortunate situation for the Koreans and embittered Sino-Japanese relations.

There exist no Sino-Japanese agreements which specifically grant or deny the right of Koreans to settle, reside and conduct occupations outside the Treaty Ports, or to lease of otherwise acquire land in Manchuria, except in the so-called Chientao District. Probably, how-

ever, over 400,000 Koreans do live in Manchuria outside Chientao. They are widely distributed, especially in the eastern half of Manchuria, and are numerous in the regions lying north of Korea, in Kirin Province, and have penetrated in large numbers, into the region of the eastern section of the Chinese Eastern Railway, the lower Sungari valley and along the Sino-Russian border from northeastern Korea to the Ussuri and the Amur river valleys, their migration and settlement having overflowed into the adjoining territories of the U.S.S.R. Moreover, partly because a very considerable group of the Koreans are natives of Manchuria, their ancestors having immigrated generations ago, and partly because others have renounced their allegiance to Japan and have become naturalized Chinese subjects a great many Koreans today actually possess agricultural lands in Manchuria, outside of Chientao, both by virtue of freehold title and leasehold. The vast majority, however, cultivate paddy fields simply as tenant farmers under rental contracts, on a crop division basis, with the Chinese landlords, these contracts usually being limited to periods from one to three years, renewable at the discretion of the landlord.

The Chinese deny that the Koreans have the right to purchase or lease agricultural lands in Manchuria outside the Chientao District, since the only Sino-Japanese agreement on the point is the Chientao Agreement of 1909, which is restricted in its application to that area. Only Koreans who are Chinese subjects, therefore, are entitled to purchase land, or, for that matter, to reside and lease land in the interior of Manchuria. In denying the claim of right of the Koreans to lease land freely in Manchuria, the Chinese Government has contended that the Chientao Agreement of 1909, which granted Koreans the right of residence with special landholding privileges in the Chientao District alone, and specified that the Koreans were to be subject to Chinese jurisdiction is, in itself, a self-contained instrument "purporting to settle, by mutual concessions, local issues then pending between China and Japan in that area." The Chientao Agreement contained a *quid pro quo*, Japan waiving the claim of jurisdiction over the Koreans, China granting them the special privilege of possessing agricultural lands.

China Denies Alteration

Both countries continued to observe the agreement after the annexation of Korea by Japan in 1910, China contending that the Treaty and Notes of 1915 could not alter the stipulations of the Chientao Agreement, especially as the new treaty contained a clause specifying that "all existing treaties between China and Japan, relating to Manchuria, shall, except as otherwise provided for, by this treaty, remain in force." No exception was made for the Chientao Agreement. The Chinese Government further contends that the Treaty and Notes of 1915 do not apply to the Chientao District, since the latter is not geographically a part of "South Manchuria," a term which is ill-defined both geographically and politically.

This Chinese contention has been contested by the Japanese since 1915, their position being that, inasmuch as the Koreans became Japanese subjects by virtue of the annexation of Korea in 1910, the provisions of the Sino-Japanese Treaty and Notes of 1915 concerning South Manchuria and Eastern Inner Mongolia, which grant Japanese subjects the right to reside and lease lands in South Manchuria and to participate in joint agricultural enterprises in Eastern Inner Mongolia, apply equally to the Koreans. The Japanese Government has contended that the Chientao Agreement was superseded by these provisions of the 1915 agreements in conflict therewith, that the Chinese contention that the Chientao Agreement is a self-contained instrument is untenable, since the right secured by the Koreans in Chientao was actually in consequence of Japan's agreement to recognize that region as a part of Chinese territory. They assert that it would be discriminatory on their part to refrain from seeking for the Koreans in Manchuria rights and privileges granted to other Japanese subjects.

The Japanese reason for favoring the acquisition of land by Koreans in Manchuria is partly due to their desire to obtain rice exports for Japan, a desire which, so far, has been but partly satisfied, since probably half of the rice production of over seven million bushels in 1930 is consumed locally, and the export of the balance has been restricted. The Japanese assert that the Korean tenants, after having reclaimed waste lands and making them profitable for the Chinese owners, have been unjustly ejected. The Chinese, on the other hand, while equally desirous of having the cultivable lowlands producing rice, have generally employed the Koreans as tenants or laborers to prevent the land itself from falling into Japanese hands. Many Koreans have therefore become naturalized Chinese subjects in order to possess land, some of them, however, having acquired such titles, transferring them to Japanese land mortgage associations. This suggests one reason why there has been a difference of opinion among the Japanese themselves as to whether naturalization of Koreans as Chinese subjects should be recognized by the Japanese Government.

Under a Chinese Nationality Law of 1914 only aliens who, under the law of their own country, were permitted to become naturalized in another were capable of being naturalized Chinese subjects. The Chinese revised Nationality Law of February 5, 1929, however, contained no provision by which an alien was required to lose his original nationality in order to acquire Chinese nationality. Koreans were, therefore, naturalized as Chinese regardless of the Japanese insistence that such naturalization could not be recognized under Japanese law. The Japanese nationality laws have never permitted Koreans to lose their Japanese nationality, and although a revised Nationality Law of 1924 contained an article to the effect that "a person who acquires foreign nationality voluntarily loses Japanese nationality," this general law has never been made applicable to the Koreans by special Imperial Ordinance. Nevertheless, many Koreans in Manchuria, varying from five to twenty per cent of the total Korean population in certain districts, especially where they are relatively inaccessible by the Japanese consular officials, have become naturalized as Chinese. Others, incidentally, when migrating beyond the Manchurian borders into Soviet territory, have become citizens of the U.S.S.R.

Dual Nationality Opposed

This problem of dual nationality of the Koreans influenced the National Government of China and the provincial authorities in Manchuria generally to look with disfavor upon indiscriminate naturalization of Koreans, fearing that they might, by temporarily acquiring Chinese nationality, become potential instruments of a Japanese policy of acquiring agricultural lands. In regulations issued by the Kirin Provincial Government, September 1930 governing the purchase and sale of land throughout the province, it was provided that "when a naturalized Korean purchases land, investigation must be made in order to discover whether he wants to purchase it as a means of residing as a permanently naturalized citizen, or on behalf of some Japanese." The local district officials, however, seem to have wavered in their attitude, at times enforcing the orders of the higher authorities but frequently issuing temporary naturalization certificates in lieu of formal certificates requiring the approval of the provincial government

and the Ministry of Interior at Nanking. These local officials, especially in areas far removed from Japanese consulates, often readily consented to the issuing of such certificates to the Koreans who applied for them, and on occasion, no doubt actually compelled the Koreans to become naturalized or leave the country, their actions being influenced both by the policy of the Japanese and by the revenue derivable from the naturalization fees. The Chinese have asserted, moreover, that some Japanese themselves actually connived at this business of naturalizing Koreans in order to use them as dummy landowners or to acquire lands by transfer from such naturalized Koreans. Generally speaking, however, the Japanese authorities discountenanced naturalization of Koreans and assumed jurisdiction over them wherever possible.

The Japanese claim of right to maintain consular police in Manchuria as a corollary of extraterritoriality became a source of constant conflict where the Koreans were involved. Whether the Koreans desired such Japanese interference, ostensibly in their behalf, or not, the Japanese consular police, especially in the Chientao District, undertook not only protective functions but freely assumed the right to conduct searches and seizures of Korean premises, especially where the Koreans were suspected of being involved in the Independence Movement, or in communist or anti-Japanese activities. The Chinese police, for their part, frequently came into collision with the Japanese police in their efforts to enforce Chinese laws, preserve the peace, or suppress the activities of "undesirable" Koreans. Although the Chinese and Japanese police did co-operate on many occasions, as provided for in the so-called "Mitsuya Agreement" of 1925, in which it was agreed that in eastern Fengtien Province the Chinese would suppress "the Korean societies" and turn over "Koreans of bad character" to the Japanese on the latter's request, the actual state of affairs was really one of constant controversy and friction. Such a situation was bound to cause trouble.

The Korean problems and the resulting Sino-Japanese relations over the Chientao District had attained a peculiarly complicated and serious character. Chientao (called "Kanto" in Japanese and "Kando" in Korean) comprises the three districts of Yenchí, Holung and Wang-ching in Liaoning (Fengtien) Province, and, in practice, as evidenced by the attitude of the Japanese Government, includes also the district of Hunchun, which four districts adjoin the northeast corner of Korea just across the Tumen River.

Regarded Korean Sphere

The Japanese, describing the traditional attitude of the Korean toward the Chientao area, have been disinclined to admit that the Chientao Agreement of 1909 closed once and for all the issue whether this territory should belong to China or to Korea, the idea being that, since the district is predominantly Korean, over half of the arable land being cultivated by them, "they have so firmly established themselves in the locality that it may practically be regarded as a Korean sphere." In Chientao, more than elsewhere in Manchuria, the Japanese Government has been insistent on exercising jurisdiction and surveillance over the Koreans, over 400 Japanese consular police having been maintained there for years. The Japanese consular service, in co-operation with Japanese functionaries assigned by the Government-General of Chosen, exercise broad powers of an administrative character in the region, their functions including maintenance of Japanese schools, hospitals and government-subsidized financing media for the Koreans. The area is regarded as a natural outlet for Korean emigrants who cultivate rice fields, while politically it has special importance since Chientao has long been a refuge of Korean independence advocates, communist groups and other disaffected anti-Japanese partisans, a region where, as evidenced by the Hunchun Rising of Koreans against the Japanese in 1920, after the Independence Outbreak in Korea, the Japanese have had serious political problems intimately associated with the general problem of governance of Korea. The military importance of this region is obvious from the fact that the lower reaches of the Tumen River form the boundary between Japanese, Chinese and Soviet territory.

The Chientao Agreement provided that "the residence of Korean subjects, as heretofore, on agricultural lands lying north of the River Tumen," should be permitted by China; that Korean subjects residing on such lands should henceforth "be amenable to the jurisdiction of the Chinese local officials;" that they should be given equal treatment with the Chinese; and that, although all civil and criminal cases involving such Koreans should be "heard and decided by the Chinese authorities," a Japanese consular official should be permitted to attend the court, especially in capital cases, with the right to "apply to the Chinese authorities for a new trial" under special Chinese judicial procedure.

The Japanese, however, have taken the position that the Sino-Japanese Treaty and Notes of 1915 override the Chientao Agreement in so far as jurisdictional questions are concerned, and that, since 1915, Koreans, as Japanese subjects, are entitled to all the rights and privileges of extraterritorial status under the Japanese treaties with China. This contention has never been admitted by the Chinese Government, the Chinese insisting that the Chientao Agreement, if applicable in so far as the right granted to Koreans to reside on agricultural lands is concerned, is also applicable in those articles where it is provided that the Koreans should submit to Chinese jurisdiction. The Japanese have interpreted the article permitting Korean residence on agricultural lands to mean the right to purchase and lease such lands in Chientao; the Chinese, contesting this interpretation, take the position that the article must be interpreted literally and that only Koreans who have become naturalized Chinese subjects are entitled to purchase land there.

Actual Situation Anomalous

The actual situation is, therefore, anomalous, since, as a matter of fact, there are non-naturalized Koreans in Chientao who have acquired lands in freehold title, with the connivance of the local Chinese officials, although as a general rule the Koreans themselves recognize the acquisition of Chinese nationality as a necessary condition of obtaining the right to purchase land in Chientao. Japanese official figures represent over half the arable land of Chientao (including Manchén) as "owned" by Koreans, their figures admitting that over 15 per cent of the Koreans there have become naturalized as Chinese subjects. Whether it is these naturalized Koreans who "own" these lands is impossible to say. Such a situation naturally gave rise to numerous irregularities and constant differences, often manifested by open clashes between the Chinese and Japanese police.

The Japanese assert that about the end of 1927 a movement for persecuting Korean immigrants in Manchuria broke out, under Chinese official instigation, as an aftermath of a general anti-Japanese agitation, and state that this oppression was intensified after the Manchurian provinces declared their allegiance to the National Government at Nanking. Numerous translations of orders issued by the central and local Chinese authorities in Manchuria have been submitted as evidence

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to the commission of a definite Chinese policy of oppressing the Koreans by forcing them to become naturalized as Chinese, driving them from their rice fields, compelling them to re-migrate, subjecting them to arbitrary levies and exorbitant taxation, preventing them from entering into contracts of lease or rental for houses and lands, and inflicting upon them many brutalities. It is stated that this campaign of cruelty was particularly directed against the "pro-Japanese" Koreans, that Korean Residents' Associations, which are subsidized by the Japanese Government, were the objects of persecution, that non-Chinese schools maintained by or for the Koreans were closed, that "undesirable Koreans" were permitted to levy blackmail and perpetrate atrocities upon Korean farmers, and that Koreans were compelled to wear Chinese clothing and renounce any claim of reliance upon Japanese protection or assistance in their miserable plight.

The fact that the Manchurian authorities did issue orders discriminatory against non-naturalized Koreans is not denied by the Chinese, the number and character of these orders and instructions, especially since 1927, establishing beyond a doubt that the Chinese authorities in Manchuria generally regarded the Korean infiltration, in so far as it was accompanied by Japanese jurisdiction, as a menace which deserved to be opposed.

Because of the seriousness of the Japanese allegations, and the pitiable plight of the Korean population of Manchuria, the Commission gave special attention to this subject, and, without accepting all these accusations as adequately descriptive of the facts, or concluding that certain of these restrictive measures applied to the Koreans were entirely unjustified, we are in a position to confirm this general description of the Chinese actions toward the Koreans in certain parts of Manchuria. While in Manchuria, the commission received numerous delegations, who represented themselves as spokesmen of Korean communities.

Controversies Complicated

It is obvious that the presence of this large minority of Koreans in Manchuria served to complicate the Sino-Japanese controversies over land leasing, jurisdiction and police, and the economic rivalries which formed a prelude to the events of September, 1931. While the great majority of the Koreans only wanted to be left alone to earn their livelihood, there were among them groups which were branded by the Chinese or Japanese, or both, as "undesirable Koreans," including the advocates and partisans of the independence of Korea from Japanese rule, Communists, professional law breakers, including smugglers and drug traders and those who, in league with Chinese bandits, levied blackmail or extorted money from those of their own blood. Even the Korean farmer himself frequently invited oppression by his ignorance, improvidence and willingness to incur indebtedness to his more agile-minded landlord.

Aside from the involvement of the Koreans, however, unwittingly, in the controversies which, in the Chinese view, were the inevitable results of the general Japanese policies with respect to Manchuria, the Chinese submit that much of what has been termed "oppression" of the Koreans should not properly be so called, and that certain of the measures taken against the Koreans by the Chinese were actually either approved or connived at by the Japanese authorities themselves. They assert that it should not be forgotten that the great majority of the Koreans are bitterly anti-Japanese, and unreconciled to the Japanese annexation of their native land, and that the Korean emigrants, who would never have left their homeland but for the political and economic difficulties under which they have suffered, generally desire to be free from Japanese surveillance in Manchuria.

The Chinese, while admitting a certain sympathy with the Koreans, draw attention to the existence of the "Mitsuya Agreement" of June-July, 1925, as evidence both of a willingness on the part of the Chinese authorities to curb the activities of Koreans whom the Japanese consider "bad characters" and a menace to their position in Korea, and of official sanction on the part of the Japanese themselves for certain of those very acts which the Japanese would have others believe are instances of Chinese "oppression" of the Koreans. This agreement, which has never been widely known abroad, was negotiated by the Japanese Police Commissioner of the Government-General of Chosen and the Chinese Police Commissioner of Fengtien Province. It provided for co-operation between the Chinese and Japanese police in suppressing "Korean Societies" (presumably of an anti-Japanese character) in eastern Fengtien Province, stipulating that "the Chinese authorities shall immediately arrest and extradite those leaders of the Korean societies whose names had been designated by the authorities of Korea," and that Koreans of "bad" character" should be arrested by the Chinese for trial and punishment. The Chinese assert, therefore, that "it is largely for the purpose of giving practical effect to this agreement that certain restrictive measures have been put into force governing the treatment of Koreans. If they are taken as evidence proving the oppression of Koreans by Chinese authorities, then such measures of oppression, if indeed they have, have been resorted to principally in the interest of Japan." Furthermore, the Chinese submit that "in view of the keen economic competition with native farmers, it is but natural that the Chinese authorities should exercise their inherent right to take measures to protect the interests of their own countrymen."

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VI.—The Wanpaoshan Affair and the anti-Chinese Riots in Korea

The Wanpaoshan affair, together with the case of Captain Nakamura, have been widely regarded as the causes immediately contributing to the Sino-Japanese crisis in Manchuria. The intrinsic importance of the former, however, was greatly exaggerated. The sensational accounts of what occurred at Wanpaoshan, where there were no casualties, led to a feeling of bitterness between Chinese and Japanese, and, in Korea, to the serious attacks by Koreans upon Chinese residents. These anti-Chinese riots, in turn, revived the anti-Japanese boycott in China. Judged by itself, the Wanpaoshan affair was no more serious than several other incidents involving clashes between Chinese and Japanese troops or police which had occurred during the past few years in Manchuria.

Wanpaoshan is a small village located some 18 miles (30 kilometers) north of Changchun, adjoining a low marshy area alongside the Itung River. It was here that one Hao Yung-teh, a Chinese broker, leased on behalf of the Chang Nung Agricultural Company, from the Chinese owners, a large tract of land by a contract dated April 16th, 1931. It was stipulated in the contract that it should be null and void in case the District Magistrate refused to approve its terms.

Shortly after this, the lessee subleased this entire plot of land to a group of Koreans. This second contract contained no provision requiring official approval for enforcement and took for granted that the Koreans would construct an irrigation canal with tributary ditches. Hao Yung-teh had subleased this land to the Korean farmers without

first having obtained Chinese formal approval of the original lease contract with the Chinese owners.

Immediately after the conclusion of the second lease the Koreans began digging an irrigation ditch or canal, several miles long, in order to divert the water of the Itung River and distribute it over this low marshy area for the purpose of making it suitable for paddy cultivation. This ditch traversed large areas of land cultivated by Chinese who were not parties to either lease transaction since their lands lay between the river and that leased by the Koreans. In order to provide ample water supply to be deflected through this ditch to their holdings, the Koreans undertook to construct a dam across the Itung River.

After a considerable length of the irrigation ditch had been completed, the Chinese farmers whose lands were cut by the canal rose up en masse and protested to the Wanpaoshan authorities, begging them to intervene in their behalf. As a result the Chinese local authorities, dispatched police to the spot and ordered the Koreans to stop excavation work at once and to vacate the area. At the same time the Japanese Consul at Changchun sent consular police to protect the Koreans. Local negotiations between the Japanese and Chinese representatives failed to solve the problem. Somewhat later both sides sent additional police, with resulting protests, counter-statements and attempted negotiations.

Investigation Arranged

On June 8, both sides agreed to withdraw their police forces and to conduct a joint investigation of the situation at Wanpaoshan. This investigation revealed the fact that the original lease contained a clause providing that the entire contract would be "null and void" if it should not be approved by the Chinese District Magistrate, and that this approval was never given.

The joint investigators, however, apparently failed to agree upon their findings, the Chinese maintaining that the digging of the irrigation ditch could not fail to violate the rights of the Chinese farmers whose lands were cut by it; and the Japanese insisting that the Koreans should be permitted to continue their work since it would be unfair to eject them on account of the error in the lease procedure for which they were in no way at fault. Shortly thereafter, the Koreans, assisted by Japanese consular police, continued to dig the ditch.

Out of this train of circumstances came the incident of July 1st, when a party of 400 Chinese farmers whose lands were cut by the irrigation ditch, armed with agricultural implements and pikes, drove the Koreans away and filled in much of the ditch. The Japanese consular police thereupon opened rifle fire to disperse the mob and to protect the Koreans, but there were no casualties. The Chinese farmers withdrew and the Japanese police remained on the spot until the Koreans completed the ditch and the dam across the Itung River.

After the incident of July 1st, the Chinese municipal authorities continued to protest to the Japanese Consul at Changchun against the action of the Japanese consular police and of the Koreans.

Far more serious than the Wanpaoshan affair was the reaction to this dispute in Chosen (Korea). In consequence of sensational accounts of the situation at Wanpaoshan, especially of the events of July 1st, which were printed in the Japanese and Korean press, a series of anti-Chinese riots occurred throughout Korea. These riots began at Jinsen on July 3rd, and spread rapidly to other cities.

The Chinese state, on the basis of their official reports, that 127 Chinese were massacred and 393 wounded, and that Chinese property to the value of Yen 2,500,000 was destroyed. They claim moreover, that the Japanese authorities in Korea were in large measure responsible for the results of these riots, since, it was alleged, they took no adequate steps to prevent them and did not suppress them until great loss of Chinese life and property had resulted. The Japanese and Korean newspapers were not prevented from publishing sensational and incorrect accounts of the Wanpaoshan incident of July 1st, which were of a character to arouse the hatred of the Korean populace against the Chinese residents.

Spontaneity Claimed

The Japanese claim, however, that these riots were due to the spontaneous outburst of racial feelings, and that the Japanese authorities suppressed them as soon as possible.

A result of importance was the fact that these outbreaks in Korea served directly to revive the anti-Japanese boycott throughout China.

Shortly after the anti-Chinese riots in Korea, and while the Wanpaoshan affair was still unsettled, the Chinese Government made a protest to Japan, on account of the riots, charging Japan with full responsibility for failure to suppress them. The Japanese Government, in reply, on July 15, expressed regret at the occurrence of these riots and offered compensation for the families of the dead.

From July 22, until September 15, there were negotiations and exchanges of notes between the Chinese and Japanese local and central authorities over the Wanpaoshan affair. The Chinese maintained that the difficulties at Wanpaoshan were due to the fact that the Koreans were living where they had no right to be, since their privileges of residing and leasing of land did not extend outside the Chientao District, in accordance with the Chientao Agreement of September 4, 1909.

The Chinese Government protested against the stationing of Japanese consular police in China and asserted that the dispatch of a large force of these police to Wanpaoshan was responsible for the incident of July 1.

The Japanese, on the other hand, insisted that the Koreans had a treaty right to reside and lease land at Wanpaoshan, since their privileges were not limited to those specified in the Chientao Agreement, but included the rights granted to Japanese subjects in general, of residing and leasing land throughout South Manchuria. The status of the Koreans, it was claimed, was identical with that of other Japanese subjects. The Japanese also urged that the Koreans had undertaken their rice cultivation project in good faith and that the Japanese authorities could not assume responsibility for the irregularities of the Chinese broker who arranged the lease. The Japanese Government consented to the withdrawal of the consular police from Wanpaoshan, but the Korean tenants remained and continued to cultivate their rice lands.

A complete solution of the Wanpaoshan affair had not been reached by September 1931.

**

VIII.—The Case of Captain Nakamura

The case of Captain Nakamura was viewed by the Japanese as the culminating incident of a long series of events which showed the utter disregard of the Chinese for Japanese rights and interests in Manchuria. Captain Nakamura was killed by Chinese soldiers in

an out-of-the-way region in Manchuria during the mid-summer of 1931.

Captain Shintaro Nakamura was a Japanese military officer on active duty, and, as was admitted by the Japanese Government, was on a mission under the orders of the Japanese Army. While passing through Harbin, where his passport was examined by the Chinese authorities, he represented himself as an agricultural expert. He was at that time warned that the region in which he intended to travel was a bandit-ridden area, and this fact was noted on his passport. He was armed, and carried patent medicine which, according to the Chinese, included narcotic drugs for non-medical purposes.

On June 9, accompanied by three interpreters and assistants, Captain Nakamura left Ilioktu Station on the western section of the Chinese Eastern Railway. When he had reached a point some distance in the interior, in the direction of Taonan, he and the other members of his party were placed under detention by Chinese soldiers under Kuan Yu-heng, the Commander of the Third Regiment of the Reclamation Army. Several days later, about June 27, he and his companions were shot by Chinese soldiers, and their bodies were cremated to conceal the evidence of the deed.

The Japanese insisted that the killing of Captain Nakamura and his companions was unjustified and showed arrogant disrespect for the Japanese army and nation; they asserted that the Chinese authorities in Manchuria delayed to institute official inquiries into the circumstances, were reluctant to assume responsibility for the occurrence, and were insincere in their claim that they were making every effort to ascertain the facts in the case.

The Chinese declared, at first, that Captain Nakamura and his party were detained pending an examination of their permits, which, according to custom, were required of foreigners traveling in the interior; that they had been treated well; and that Captain Nakamura was shot by a sentry while endeavoring to make his escape. Documents, including a Japanese military map and two diaries, they stated, were found on his person, which proved that he was either a military spy or an officer on special military mission.

On July 17 a report of the death of Captain Nakamura reached the Japanese Consul-General at Tsitsihar, and at the end of the month Japanese officials in Mukden informed the local Chinese authorities that they had definite evidence that Captain Nakamura had been killed by Chinese soldiers. On August 17 the Japanese military authorities in Mukden released for publication the first account of his death (See *Manchuria Daily News*, August 17, 1931). On the same day, Consul-General Hayaashi, and also Major Mari, who had been sent by the Japanese General Staff from Tokyo to Manchuria to investigate the circumstances, had interviews with Governor Tsang Shih-yi of Liaoning Province. Governor Tsang promised to investigate it at once.

Investigators Appointed

Immediately thereafter Governor Tsang Shih-yi communicated with Marshal Chang Hsueh-liang, who was then ill in a hospital in Peiping, and with the Minister for Foreign Affairs in Nanking, and, also, appointed two Chinese investigators who proceeded at once to the scene of the alleged murder. These two men returned to Mukden on September 3, Major Mori, who had been conducting an independent investigation on behalf of the Japanese General Staff, returned to Mukden on September 4. On that day Consul-General Hayaashi called on General Yung Chen, the Chinese Chief-of-Staff, and was informed that the findings of the Chinese investigators were indecisive and unsatisfactory, and that it would therefore be necessary to conduct a second inquiry. General Yung Chen left for Peiping on September 4 to consult with Marshal Chang Hsueh-liang on the new developments in the Manchurian situation, returning to Mukden on September 7.

Having been informed of the seriousness of the situation in Manchuria, Marshal Chang Hsueh-liang instructed Governor Tsang Shih-yi and General Yung Chen to conduct, without delay and on the spot, a second inquiry into the Nakamura case. Learning from his Japanese military advisers of the deep concern of the Japanese military over this affair, he sent Major Shibayama to Tokyo to make it clear that he wished to settle the case amicably. Major Shibayama arrived in Tokyo on September 12, and stated, according to subsequent press reports, that Marshal Chang Hsueh-liang was sincerely desirous of securing an early and equitable termination of the Nakamura issue. In the meantime Marshal Chang had sent Mr. Tang Er-ho, a high official, on a special mission to Tokyo to consult with the Minister for Foreign Affairs, Baron Shidehara, in order to ascertain what common ground might be found for solution of various pending Sino-Japanese questions concerning Manchuria. Mr. Tang Er-ho had conversations with Baron Shidehara, General Minami and other high military officials. On September 16 Marshal Chang Hsueh-liang gave out an interview of the press which reported him as saying that the Nakamura case, in accordance with the wish of the Japanese, would be handled by Governor Tsang Shih-yi and the Manchurian authorities, and not by the Foreign Office at Nanking.

The second Chinese commission of investigation, after visiting the scene of the killing of Captain Nakamura, returned to Mukden on the morning of September 16. On the afternoon of the 18th the Japanese Consul called upon General Yung Chen, when the latter stated that Commander Kuan Yu-heng had been brought to Mukden on September 16 charged with responsibility for the murder of Captain Nakamura, and would be immediately tried by a military court-martial. Later it was made known by the Japanese, after their occupation of Mukden, that Commander Kuan had been detained by the Chinese in a military prison.

Consul-General Optimistic

Consul-General Hayaashi, Mukden, was reported on September 12-13 to have reported to the Japanese Foreign Office that "an amicable settlement would probably be made after the return of the investigators to Mukden," especially as General Yung Chen had definitely admitted that Chinese soldiers had been responsible for the death of Captain Nakamura. The Mukden correspondent of the Nippon Dempo Service telegraphed a dispatch on September 12 stating that "an amicable settlement of the alleged murder case of Captain Shintaro Nakamura of the Japanese General Staff Office by soldiers of the Chinese Reclamation Army Corps is in sight." Numerous statements of Japanese military officers, however, especially those of Colonel K. Doihara, continued to question the sincerity of the Chinese efforts to arrive at a satisfactory solution of the Nakamura case, in view of the fact that Commander Kuan, alleged to have been responsible for the death of Captain Nakamura, had been taken into custody in Mukden by the Chinese authorities, the date of his court-martial having been announced as to occur within a week. Since the Chinese authorities admitted to Japanese consular officials in Mukden, in a formal conference held on the afternoon of September 18, that Chinese soldiers were responsible for the death of Captain Nakamura, expressing also a desire to secure a settlement of the case diplomatically

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without delay, it would seem that diplomatic negotiations for attaining a solution of the Nakamura case were actually progressing favorably up to the night of September 18.

The Nakamura case, more than any other single incident, greatly aggravated the resentment of the Japanese and their agitation in favor of forceful means to effect a solution of outstanding Sino-Japanese difficulties in regard to Manchuria. The inherent seriousness of the case was aggravated by the fact that Sino-Japanese relations just at this time were strained on account of the Wanpao-shan affairs, the anti-Chinese riots in Korea, the Japanese military maneuvers across the Tumen River on the Manchurian-Korean frontier and the Chinese mob violence committed at Tsingtao, in protest against the activities of the local Japanese patriotic societies.

Captain Nakamura was an army officer on active service, a fact which was pointed to by the Japanese as a justification for strong and swift military action. Mass meetings were held in Manchuria and in Japan for the purpose of crystallizing public sentiment in favor of such action. During the first two weeks of September the Japanese press repeatedly declared that the army had decided that the "solution ought to be by force," since there was no other alternative.

The Chinese claimed that the importance of the case was greatly exaggerated and that it was made a pretext for the Japanese military occupation of Manchuria. They denied the contention of the Japanese that there was insincerity or delay on the part of the Chinese officials in dealing with the case.

Peaceful Methods Not Exhausted

By the end of August, 1931, therefore, Sino-Japanese relations over Manchuria were severely strained in consequence of the many controversies and incidents described in this chapter. The claim that there were 300 cases outstanding between the two countries, and that peaceful methods for settling each of them had been progressively exhausted by one of the parties, cannot be substantiated. These so-called "cases" were rather situations arising out of broader issues, which were rooted in fundamentally irreconcilable policies. Each side accuses the other of having violated, unilaterally interpreted, or ignored the stipulations of the Sino-Japanese agreements. Each side had legitimate grievances against the other.

The account here given of the efforts made by one side or the other to secure a settlement of these questions at issue between them shows that some efforts were being made to dispose of these questions by the normal procedure of diplomatic negotiation and peaceful means, and these means had not yet been exhausted. But the long delays put a severe strain on the patience of the Japanese. Army circles in particular were insisting on the immediate settlement of the Nakamura case, and demanded satisfactory reparation. The Imperial Ex-soldiers' Association, among others, was instrumental in rousing public opinion.

In the course of September public sentiment regarding the Chinese questions, with the Nakamura case as the focal point, became very strong. Time and again the opinion was expressed that the policy of leaving so many issues in Manchuria unsettled had caused the Chinese authorities to make light of Japan. Settlement of all pending issues, if necessary by force, became a popular slogan. Reference was freely made in the press to a decision to resort to armed force, to conferences between the Ministry of War, the General Staff and other authorities for the discussion of a plan with this object, to definite instructions regarding the execution, in case of necessity, of that plan to the Commander-in-Chief of the Kwantung Army, and to Colonel Doihara, Resident Officer at Mukden, who had been summoned to Tokyo early in September and who was quoted by the press as the advocate of a solution of all pending issues, if necessary by force, and as soon as possible. The reports of the press regarding the sentiments expressed by these circles and some other groups point to a growing and dangerous tension.

CHAPTER IV

Narrative of Events in Manchuria on and Subsequent to September 18, 1931

In the preceding chapter the growing tension between the Japanese and Chinese interests in Manchuria was discussed and its effect on the attitudes of the military forces of the two nations described. Certain internal, economic and political factors had undoubtedly for some time been preparing the Japanese people for a resumption of the "positive policy" in Manchuria. The dissatisfaction of the army; the financial policy of the Government; the appearance of a new political force emanating from the army, the country districts and the nationalist youth, which expressed dissatisfaction with all political parties, which despised the compromise methods of Western civilization and relied on the virtues of Old Japan and which included in its condemnation the self-seeking methods whether of financiers or politicians; the fall in commodity prices which inclined the primary producer to look to an adventurous foreign policy for the alleviation of his lot; the trade depression which caused the industrial and commercial community to believe that better business would result from a more vigorous foreign policy—all these factors were preparing the way for the abandonment of the Shidehara "policy of conciliation" with China which seemed to have achieved such meagre results. This impatience in Japan was even greater among the Japanese in Manchuria, where the tension throughout the summer was increasing. As September wore on, this tension reached such a point that it was apparent to all careful observers that a breaking point must soon be reached. The public press of both countries tended rather to inflame than to calm public opinion. Vigorous speeches of the Japanese War Minister in Tokyo, counseling direct action by their army in Manchuria were reported. Protracted delay by the Chinese authorities in making satisfactory investigation of and redress for the murder of Captain Nakamura had particularly incensed the young officers of the Japanese army in Manchuria, who clearly showed their sensitiveness to irresponsible remarks and slurs made by equally irresponsible Chinese officers on the streets or in restaurants and other places of close contact. And so the stage was set for the events which followed.

On the morning of Saturday, September 19, the population of Mukden woke to find their city in the hands of Japanese troops. During the night sounds of firing had been heard, but there was nothing unusual in this; it had been a nightly experience throughout the week, as the Japanese had been carrying out night maneuvers involving vigorous rifle and machine-gun firing. True, that on the night of September 18, the booming of guns and the sound of shells caused some alarm to the few that distinguished them, but the majority of the population considered the firing to be merely another repetition of Japanese maneuvers, perhaps rather noisier than usual.

Military Leaders Interviewed

Appreciating the great importance of this occurrence which, as will be shown, was the first step of a movement which resulted in the military occupation of practically the whole of Manchuria, the commission conducted an extensive inquiry into the events of that night. Of great value and interest, of course, were the official accounts of the Japanese and Chinese military leaders involved. The Japanese case was presented by Lieutenant Kawamoto, who is the earliest witness in the story, by Lieutenant-Colonel Shimamoto, the Commanding Officer of the battalion which carried out the attack on the North Barracks at Peitaying, and by Colonel Hirata, who captured the walled city. We also heard evidence from Lieutenant-General Honjo, the Commander-in-Chief of the Kwantung Army, and from several members of his staff. The Chinese case was presented by General Wang I-Chieh, the officer in command of the Chinese troops in the North Barracks, supplemented by the personal narratives of his Chief-of-Staff and of other officers who were present during the operations. We also heard the evidence of Marshal Chang Hsueh-liang and of his Chief-of-Staff General Yung Chen.

According to the Japanese versions, Lieutenant Kawamoto, with six men under his command, was on patrol duty on the night of September 18, practicing defense exercises along the track of the South Manchuria Railway to the north of Mukden. They were proceeding southwards in the direction of Mukden. The night was dark but clear, and the field of vision was not wide. When they reached a point at which a small road crosses the line, they heard the noise of a loud explosion a little way behind them. They turned and ran back, and after going about 200 yards they discovered that a portion of one of the rails on the down track had been blown out. The explosion took place at the point of junction of two rails; the end of each rail had been cleanly severed, creating a gap in the line of 31 inches. On arrival at the site of the explosion, the patrol was fired upon from the fields on the east side of the line. Lieutenant Kawamoto immediately ordered his men to deploy and return the fire. The attacking body, estimated at about five or six, then stopped firing and retreated northwards. The Japanese patrol at once started in pursuit, and, having gone about 200 yards, they were again fired upon by a larger body, estimated at between three and four hundred. Finding himself in danger of being surrounded by this large force, Lieutenant Kawamoto then ordered one of his men to report to the Commander of No. 3 Company, who was also engaged in night maneuvers some 1,500 yards to the north; at the same time he ordered another of his men to telephone (by means of a box telephone near the spot) to Battalion Headquarters at Mukden for re-enforcements.

At this moment the southbound train from Changchun was heard approaching. Fearing that the train might be wrecked when it reached the damaged line, the Japanese patrol interrupted their engagement and placed detonators on the line in the hope of warning the train in time. The train, however, proceeded at full speed. When it reached the site of the explosion it was seen to sway and heel over to one side, but it recovered and passed on without stopping. As the train was due at Mukden at 10:30, where it arrived punctually, it must have been about 10:00 o'clock, according to Lieutenant Kawamoto, when he first heard the explosion.

Fighting was then resumed. Captain Kawashima, with No. 3 Company, having heard the explosion, was already proceeding southwards when he met Lieutenant Kawamoto's messenger, who guided them to the spot. They arrived at about 10:50. Meanwhile, Lieutenant-Colonel Shimamoto, the Battalion Commander, on receipt of a telephone message, at once ordered the 1st and 4th Companies that were with him at Mukden to proceed to the spot. He also sent orders to the 2nd Company, which was at Fushun—an hour and a half away—to join them as soon as possible. The two companies proceeded by rail from Mukden to Luitiaohu, and then on foot to the scene of action, where they arrived a little after midnight.

Lieutenant Kawamoto's patrol, re-enforced by Captain Kawashima's company, was still sustaining the fire of the Chinese troops concealed in the tall koaliang grass, when the two companies arrived from Mukden. Although his force was then only 500, and he believed the Chinese army in the North Barracks numbered 10,000, Lieutenant-Colonel Shimamoto at once ordered an attack on the barracks, believing, as he told us, that "offence is the best defence." The ground between the railway and the North Barracks—a distance of about 250 yards—was difficult to cross in mass formation because of patches of water, and while the Chinese troops were being driven back over this ground Lieutenant Noda was sent up the railway with a section of the 3rd Company to intercept their retreat. When the Japanese reached the North Barracks, which were described as glittering with electric light, an attack was made by the 3rd Company, which succeeded in occupying a corner of the left wing. The attack was vigorously contested by the Chinese troops within, and there was fierce fighting for some hours. The 1st Company attacked on the right, and the 4th Company in the center. At 5:00 o'clock the south gate of the barracks was blown in by two shells from a small cannon left in an outhouse immediately opposite to it by the Chinese, and by 6:00 o'clock the entire barracks were captured at the cost of two Japanese privates killed and twenty-two wounded. Some of the barracks caught fire during the fighting; the remainder were burned out by the Japanese in the morning of the 19th. The Japanese stated that they buried 820 Chinese but only found about 20 wounded.

Walled City Taken

In the meantime operations in other places were being carried out with equal rapidity and thoroughness. Colonel Hirata received a telephone message from Lieutenant-Colonel Shimamoto about 10:40 o'clock to the effect that the South Manchuria Railway track had been destroyed by Chinese troops and that he was about to start to attack the enemy. Colonel Hirata approved his action and himself decided to attack the walled city. The concentration of his troops was complete by 11:30 o'clock, and his attack commenced. No resistance was offered, only occasional fighting on the streets, mostly with the Chinese police, of whom 75 were killed. At 2:15 o'clock the wall of the city was sealed. By 3:40 o'clock he had captured it. At 4:50 o'clock, he received information that the staff of the 2nd Division and a part of the 16th Regiment had left Liaoyang at 3:30 o'clock. These troops arrived shortly after 5:00 o'clock. At 6:00 o'clock the occupation of the eastern wall was completed; the arsenal and aerodrome were captured at 7:30 o'clock. The East Barracks were then attacked and by 1:00 o'clock were occupied without fighting. The total casualties in these operations were seven Japanese wounded and 30 Chinese killed.

Lieutenant-General Honjo, who had only returned from his tour of inspection that very day, received the first news of what was happening at Mukden by telephone from a newspaper agent at about 1:00 o'clock. The Chief-of-Staff received a telegraphic report at 11:46 o'clock from the Special Service Station at Mukden, giving details of the attack, and orders were immediately sent to the troops at

Liacyang, Yinkow and Fengsheng to proceed to Mukden. The fleet was ordered to leave Port Arthur and proceed to Yingkow and the Commander-in-Chief of the Japanese Garrison Army in Korea was asked to send re-inforcements. Lieutenant-General Honjo left Port Arthur at 3:30 o'clock and arrived at Mukden at noon.

According to the Chinese version, the Japanese attack on the barracks at Peitaying was entirely unprovoked and came as a complete surprise. On the night of September 18th all the soldiers of the 7th Brigade, numbering about 10,000, were in the North Barracks. As instructions had been received from Marshall Chang Hsueh-liang on September 6th (*) that special care was to be taken to avoid any clash with the Japanese troops in the tense state of feeling existing at the time, the sentries at the walls of the Barracks were only armed with dummy rifles. For the same reason the west gate in the mud wall surrounding the camp which gave access to the railway had been closed. The Japanese had been carrying out night maneuvers around the barracks on the nights of September 14th, 15th, 16th and 17. At 7:00 o'clock on the evening of the 18th, they were maneuvering at a village called Wenkuantun. At 9 o'clock officer Liu reported that a train composed of three or four coaches, but without the usual type of locomotive, had stopped there. At 10 o'clock the sound of a loud explosion was heard, immediately followed by rifle. This was reported over the telephone by the Chief-of-Staff to the Commanding Officer, General Wang I-cheh, who was at his private house situated near the railway, about six or seven miles from the barracks, to the south. While the Chief-of-Staff was still at the telephone, news was brought to him that the Japanese were attacking the barracks and that two sentries had been wounded. At about 11 o'clock a general attack on the southwest corner of the barracks began, and at 11:30 o'clock the Japanese had effected an entry through a hole in the wall. As soon as the attack began the Chief-of-Staff gave orders for the lights to be extinguished, and again reported to General Wang I-cheh by telephone. The latter replied that no resistance was to be offered. Distant artillery fire was heard at 10:30 o'clock from the southwest and northwest. At midnight live shells began to fall inside the barracks. On reaching the south gate, the retreating troops of the 621st Regiment found that the Japanese were attacking that gate, and that the guard was withdrawing. They accordingly took shelter in some trenches and earthworks until after the Japanese soldiers had passed through into the interior, when they were able to make their escape through the south gate and reached the village of Erhtaitze, to the east of the barracks, about 2 o'clock. Other troops made their escape through the east gate and the empty barracks just outside the east wall, finally reaching the same village between 3 and 4 o'clock.

One Regiment Resists

The only resistance was offered by the 620th Regiment, quartered in the northeast corner building and the second building south of it. The commander of this Regiment stated that when the Japanese troops entered through the south gate at 1 o'clock the Chinese troops withdrew from one building to another, leaving the Japanese to attack empty buildings. After the main body of the Chinese troops had withdrawn, the Japanese turned eastwards and occupied the eastern exit. The 620th Regiment thus found themselves cut off, and had no option but to fight their way through. They started to break through at 5 o'clock, but did not get completely clear until 2 o'clock. This was the only actual fighting that took place in the barracks, and was responsible for most of the casualties. This regiment was the last to reach the village of Erhtaitze.

As soon as they were all assembled, the Chinese troops left the village in the early morning of the 19th for Tungling. From here they made their way to a village near Kirin, where they obtained a supply of winter clothing. Colonel Wang was sent to obtain permission from General Hsi Hsia for the troops to enter Kirin city. The Japanese residents at Kirin were so alarmed at the approach of the Chinese soldiers that re-inforcements were at once sent from Changchun. Saupinskai and Mukden to Kirin. Consequently the Chinese turned back toward Mukden. They left their trains thirteen miles outside Mukden, separated into nine groups, and marched round Mukden by night. To escape detection by the Japanese, General Wang I-cheh himself rode through the town disguised as a peasant. In the morning the Japanese obtained news of their presence and sent air planes to bomb them. They were obliged to lie hidden by day, but continued their march at night. Eventually they reached a station on the Peiping-Mukden Railway, and here they were able to order seven trains, which brought them to Shanhaikwan by October 4th.

Such are the two stories of the so-called incident of September 18 as they were told to the commission by the participants on both sides. Clearly, and not unnaturally in the circumstances, they are different and contradictory.

Appreciating the tense situation and high feeling which had preceded this incident, and realizing the discrepancies which are bound to occur in accounts of interested persons, especially with regard to an event which took place at night, we, during our stay in the Far East, interviewed as many as possible of the representative foreigners who had been in Mukden at the time of the occurrences or soon after, including newspaper correspondents and other persons who had visited the scene of conflict shortly after the event, and to whom the first official Japanese account had been given. After a thorough consideration of such opinions, as well as of the accounts of the interested parties, and after a mature study of the considerable quantity of written material and a careful weighing of the great mass of evidence which was presented or collected, the commission has come to the following conclusions:

(To be Continued)

(*) The text of the telegram shown to the commission at Peiping was as follows:

"Our relations with Japan have become very delicate. We must be particularly cautious in our intercourse with them. No matter how they may challenge us, we must be extremely patient and never resort to force, so as to avoid any conflict whatever. You are instructed to issue secretly and immediately, orders to all the officers, calling their attention to this point."

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The Lytton Report As Viewed Through Japanese Eyes

(From the Review's Tokyo Correspondent)

COMMENTING on the Lytton report Lieut.-Gen. Harnmi Akai and Dr. Hitoshi Ashida broadcast on the night of August 14 over the J. O. A. K. (Tokyo Radio station). The following are summaries or their addresses.

Lieut.-Gen. Akai: In reading the Lytton report I keenly felt that it cannot escape the charge of "lack of recognition" of Oriental affairs and hence is worthy of little attention. As a soldier I shall point out a few cases testifying to its being nothing but the Commission's diary.

The commission denies the legitimacy of the self-defence taken by Japanese troops on the night of September 18 and declares that it was Japan's pre-considered military operation. It is but natural that by that time Japanese troops had been prepared in view of the tense atmosphere created in this part of Manchuria. In the report, however, the true cause of the incident is ignored.

The report holds our Military Staff Headquarters responsible for the formation of Manchukuo, but the fact is that the Kwantung forces have several times been instructed not to invite misunderstanding.

Indeed, this report is full of misrepresentations. It teaches nothing, for it contradicts our views based upon the founding of peace in the Orient. It is nevertheless a question what attitude the Powers and the League Assembly will assume.

We are not in the least anxious about the bluff demonstration of America or the League's attitude. Unless our righteousness is regarded with due consideration we are free to quit the League, and furthermore, we would face undauntedly the subsequent menace of economic blockade.

What is required of us is the unity and co-operation of us all and with this combined effort we are duty bound to present Manchukuo before the world as a flawless independent state—(*Yomiuri Shimbun*).

Dr. Hitoshi Ashide, M. P.—The long awaited report has at last been completed for our perusal. It must have surprised China and the managing staff of the League of Nations far more than it did our country, I presume. The report of the Commission is voluminous and is a fine composition it is true, but I regret to say it is incoherent as far as the relation between the statement of facts and its conclusion is concerned, and accordingly the Commission's views sound dogmatic. Because of such inconsistency, even though we grant its observation on China and Manchuria as being to the point, it cannot escape the charge of commencing its statement with such erroneous conceptions as that the defensive measures of the Japanese forces are illegitimate or that Manchukuo has been created by Japan, and concluding with corresponding misrepresentations.

The decision that the new state should be returned to the hands of the Kuomin Government is tantamount to studiously brewing peace disturbing elements in Orient. If the League should arrive at the same decision as is given in the report, we have no alternative but to flatly refuse its recommendation. If this culmination be the case the League could never regard Japan as a Covenant violator; instead, it should recognize the refusal on our part as a step taken toward bringing the Sino-Japanese dispute to a close. Naturally, therefore, if we are settled in our resolution the question of our withdrawal from the League will never put up its head.

Granting that we safely emerge from the League arena what we are destined to face instead is tangled international relations with Manchukuo as its centre. However, there is no possibility, as far as I see, of the Japan-American relations being further aggravated consequent upon this issue. Very few of the Americans support Secretary Stimson's insistence, to speak the truth. As to Soviet Russia, it also is beyond our comprehension that it would take up arms unprovoked. And lastly, as for ourselves, never can we think of throwing our country into a whirlpool of international entanglements before we succeed in discharging our heavy responsibility—I mean bringing up Manchukuo as a flawless independent state.

In the event of our failing at the League in enlightening the Powers, the only way left to us in dealing with

the Commission's report is our strong assurance of our nurturing the infant state to be a complete independent state in the eyes of the world.

Discussions Among Professors

The following are translations of excerpts from discussions among the leading Japanese critics as appearing in the November number of the *Bungei Shunju*.

Dr. Seibi Hijikata, Professor of the Tokyo Imperial University.

Dr. Hikomatsu Kamikawa, Professor of the Tokyo Imperial University

Dr. Masamichi Royama, Professor of the Tokyo Imperial University.

Dr. Kenzo Takayanagi, Professor of the Tokyo Imperial University. (Translator of the Lytton report)

Dr. Kisaburo Yokota, Professor of the Tokyo Imperial University.

Dr. Teijiro Ueta, Professor of the Tokyo College of Commerce Shigeichi Matsumoto, member of the Politics Research Institute Self-defence:

Dr. Takayama: The Commission would seem self-contradictory in that it denies the defensive measures taken by Japan as legitimate when it clearly denies authority on passing decisive judgment on whether a certain kind of boycott may be construed as legally legitimate.

Dr. Kamikawa: A glaring contradiction it is! When the Commission hesitates to give decision on such a small issue as the boycott stating that it belongs to the realm of the international law, it boldly passes assertion when it comes to the question of self-defence.

Dr. Takayanagi: Seen from another angle unlike the case of boycott this legitimate self-defence is a problem more of commonsense than otherwise.

Dr. Kamikawa: In the chapter dealing with the boycott the Commission's disinclination to touch international law is clarified. While it makes sweeping assertion when it comes to the question of self-defence—the most difficult question the international law can deal with and international politics can handle.

Dr. Royama: Even in the case of the legitimate self-defensive measures of an individual, the judge weighs the environments in which he was placed before and after the incident and the development of his mentality. Yet, the Commission disconnects the incident from the conditions before and after its outbreak. This is what is at the bottom of the difference of views in question. The Commission in dealing with the vital question ought to have given a provisory clause to its assertion so that it might prevent causing trouble.

Dr. Royama: Japan's action is interpreted by the Commission as political rather than military, and accordingly it may be that individual military operations by Japanese are defined as illegitimate. On the Japanese side, however, the very fact that it had to act politically is regarded as constituting legitimate self-defence. This is taken in a broad sense when referred to international law. Naturally, it seems to me, the Commission in order not to lose its standpoint took it in mind to lead itself to such interpretation even though for form's sake.

Self-Determination:

Dr. Royama: Viewed from the Chinese political conditions and Chinese character there ought to have been still room for consideration before the Commission's arriving at the conclusion. Likewise, it is unreasonable on Japan's part to decide so simply that the new state was born of the self-determination of the inhabitants. This is rather a question that ought to be decided from the viewpoint of the policy with which the inhabitants intend to bring up the infant country.

Dr. Takayanagi: I am of about the same opinion.

Dr. Royama: If such a simple and outspoken insistence had not been made by Japan, the Commission might not have resorted to such refutation.

Dr. Kamikawa: I am used to employ the words "principle of self-determination of peoples." In Europe

they rely upon plebiscite, but it is seldom that by this method the people's true will is assured. That plebiscite is impracticable in Manchuria though is recognized even by the Chinese themselves. Consequently, there is no other means to survey the will of the inhabitants than, as was recognized by the Commission, to sound the opinions of group leaders and responsible persons. Strange to say, however, in conclusion the Commission completely ignoring the opinions of the leaders fails back upon the 1,550 letters in arriving at its final judgment that the Manchurians entertain enmity against Japan and consequently that Manchukuo is nothing but a puppet state of Japan. Thus the Commission deviates when it comes to the conclusion; whereas it admits in the statement that there are in Manchukuo both sympathetic and unsympathetic inhabitants toward the new regime, in conclusion it holds a different view.

Manchukuo's Administration:

Dr. Royama: The fact that the Commission held a negative view on the practicability of the good administration planned by Manchukuo presents an important material for discussion.

Dr. Takayanagi: It is because the Commission arrived in the territory just at the time of its being founded; and in the light of the unruly state of administration it predicted the future of the country, and nothing more.

Dr. Royama: But the fact must not be lost sight of that the Commission took into mature consideration the youth of the state.

Dr. Takayagi: Yet, the conditions of the territory just at the time of the Commission's arrival must have been mainly responsible for such prediction of the Commission, I believe. All prophetic judgments are unscientific. If it had visited a few months later it might have had a different picture drawn in its mind.

Dr. Kamikawa: In dealing with this kind of problem references should be sought for in the history of independence of countries of the world. One of the most appropriate examples is the United States. According to a record which describes all phases of the national conditions after ten years of its independence, the tenth year of the foundation of the country found its conditions of economy, finance, currency, public order and all others far inferior to these of the year of independence. This is not a particular case with the United States alone; similar examples can be drawn from newly founded states where the political system had to undergo radical change. The construction of a state can never be done in so short a time; at least ten years would be required before a new state receives judgment as to whether it is qualified to continue healthy growth. Accordingly, therefore, I am afraid that it is too early to criticize the administrative merits of Manchukuo. So, I wonder if the Commission is right in picking up several of its administrative plans and throwing gloomy comments upon them. This presumptuous attitude of the Commission betrays its lack of sagacity.

Dr. Royama: In arriving at this conclusion the Commission must have had apprehension lest the healthy growth of the young state should be marred by other countries taking into their consideration the fact that a new state experiences enormous difficulty in its initial development, and probably based upon this consideration it looks to international cooperation. If so, the whole thing depends upon the development of the new state; none can predict that things will not improve in such a way that they overturn the Commission's prophecy. Under the existing international relations, however, so many plans, though carried out, may fall short of bringing administration favorable to the people, I am afraid.

(To be Continued)

Andersen-Meyer Branch Manager at Harbin Commits Suicide

S. J. Kolpachnikoff, the manager of Andersen, Meyer & Company's Harbin branch, which is being liquidated, committed suicide in his office Oct. 31. Mr. Kolpachnikoff, who was a naturalized American, shot himself with a Browning pistol, the bullet penetrating his left temple and coming out on the right side of his chin. It is considered that Mr. Kolpachnikoff committed suicide in a fit of depression, owing to the uncertainty of his future. He was 50 years of age.

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Men and Events

Chu Ping-yuan, the new president of the Customs College, at Peiping, assumed the duties of his office October 28.

Japan's consul-general at Hankow, Junzo Sakane, is being transferred to Mukden to succeed M. Morishima who has been transferred to Harbin.

The Soviet State Publishing House at Habarovsk has undertaken the publication of the literary works of Maxim Gorky in the Chinese language.

General Oong Chao-huan former commander of the a brigade of the 19th Route Army, departed by the *President Madison* Nov. 2, bound for Europe and America.

The opening session of the Goodwill Movement was inaugurated at the Shanghai Foreign Y. M. C. A. Oct. 27, with members of various denominations being present at the dinner.

Mrs. Aimee Semple (McPherson) Hutton is scheduled to arrive in Shanghai "soon" to superintend an intensive missionary campaign, according to a recent telegram from New Orleans.

General Yang Hu, formerly garrison commander in Shanghai, end of last week assumed his new post as commander-in-chief of the Peace Preservation Corps of the Municipality of Greater Shanghai.

Dr. C. C. Wu, former Chinese Minister to the United States, who had been visiting Peiping for more than a week, departed for Tatung, in North Shansi recently, to see the stone Buddhas at Yun'ang.

Dr. Stanley Jones, veteran missionary to India and famous author, addressed the faculty and students of the University of Shanghai, on October 28, on "The New Renaissance and the New Reformation in China."

The U. S. Treasury announced Oct. 27 that while the national deficit on paper is now approximately \$1,000,000,000, the actual working deficit will be only half that amount by the end of the present fiscal year.

Fraeulein Lagi Solf, daughter of former Ambassador to Japan Dr. Wilhelm Solf, was married in Berlin Oct. 27 to Herr Mohr. The young couple is coming to Shanghai where Herr Mohr will engage in business.

King Cheng lectured on Psycho-Analysis at the Y. M. C. A., Soochow, Sunday, Oct. 23. Mr. King explained the Freudian Theory in relation to Chinese literature, such as Shih-ching, Lee-sho, Poems of the T'ang Dynasty, etc.

An elevator employee of the Great Northern Telegraph Co. in Shanghai was crushed to death November 1 while cleaning the top of the cage. An inexperienced operator jammed him between the top of the lift and the ceiling.

A recent census of the population of the combined cities of Hankow, Hanyang and Wuchang shows 763 foreign residents as against about three thousand a year ago. The decrease is mostly in the ranks of the Japanese.

A fire which broke out in the five-story warehouse of Mackenzie and Company to the rear of the Shanghai Club on the night of Oct. 29, caused damage of approximately one million dollars. The contents were mostly covered by insurance.

The Mayor of Hangchow made a round trip by automobile over the new highway to Shanghai last week. His trip was unofficial. He stated that he considered the principal need of the new highway to be the addition of more service stations.

Marc Greene, American newspaper correspondent formerly connected with the *Christian Science Monitor*, but now collecting syndicate material for newspapers in the United States, arrived in Shanghai last week and will remain here for several weeks.

David Borgelson, a Jewish author of considerable fame, recently arrived in Moscow from Germany, which is his home. He intends making a prolonged stay in Soviet Russia, later visiting the large Jewish colony at Birobidjan on the Chinese border.

Rear Admiral Shiozawa, who was in command of Japanese forces, including the Japanese landing party, at the outbreak of the Shanghai "war" last February, has been appointed to succeed Vice-Admiral Mitsumasa as commander of the Chinkai naval station and will be promoted Vice-Admiral.

Philip Kinsley, staff correspondent for *The Chicago Tribune*, passed through Shanghai this week on his way to Japan where he plans to spend several weeks prior to his return to the United States. Mr. Kinsley is returning from a trip which included New Zealand, Australia, India and the Philippines.

Butler B. Hare, Congressman from South Carolina and chairman of the House Insular Affairs Committee who has been on a tour of investigation in the Philippines, passed through Shanghai end of last week on the Dollar liner *Hoover* enroute to the United States.

James A. Mills, veteran correspondent who has covered big assignments for the *Associated Press* in more than a dozen countries during the past 15 years, arrived in Japan last week after a tour of Manchuria. He was accompanied by another prominent American correspondent, Junius B. Wood, who has also been in Manchuria.

According to a report in Chinese papers, Dr. V. K. Ting, the former Mayor of Greater Shanghai under Gen. Sun Chuan-fang and an eminent geologist in China, has been appointed a secretary to Gen. Chiang Kai-shek. Dr. Ting is now a frequent contributor to the well-known periodical "The Independent Weekly" at Peiping, edited by Dr. Hu Shih.

Kan Chih-man, young millionaire son of the organizer of the Nanyang Brothers Tobacco Company, attempted suicide by drinking some lysol in a room of the Oriental Hotel, in the Sincere Company's building, early in the morning of Oct. 29, following a quarrel with a woman. He was removed to the Lester Hospital where a stomach pump was used to good effect. He has in the meantime recovered.

Toshihiko Taketomi, director of the Commercial Bureau of the Foreign Office, will shortly be appointed councillor to the Japanese embassy in Washington in connection with Foreign Minister Count Uchida's shake-up of the diplomatic service, a recent Tokyo telegram predicted. Upon the return to Washington of Ambassador K. Debuchi, the acting ambassador, Hiroshi Saito, will return to Tokyo to receive an appointment as minister to the capital of a European power.

Famine Relief Chairman Says Chinese Appreciate American Aid

David A. Brown, chairman of the China Famine Relief, Inc. New York, upon his return to Peiping recently from Suiyuan stated that in all his years of social effort in foreign lands he had never witnessed such demonstrations of appreciation or evidences of respect for an American organization. He has been overwhelmed by the reception tendered him as a representative of the China Famine Relief, U.S.A.

"The fact that our work has created a great respect for the people of the United States was fully evidenced by the blending of the American and Chinese flags at all the public gatherings together with addresses of welcome, which showed emotional love for the American people," Mr. Brown said.

Shanghai Japanese Residents Discuss Bombing Incidents

The recurring bombing incidents in the Foreign Settlement of Shanghai involving Chinese firms allegedly dealing in Japanese goods were discussed by the local Japanese Residents' Club in a special session held last week. It was unanimously decided to bring pressure on the Shanghai Municipal Council for the purpose of suppressing these activities. The consensus of opinion at the meeting was that while such incidents did not directly involve the Japanese merchants here, they were done with a view to injuring the interests of the Japanese people in an indirect manner.

It was decided that the first step was to call the attention of the Japanese members on the Council to the present situation and ask them to bring the matter to the attention of the fellow members. As a matter of fact such bombing incidents have been few and far between of late.

Chiao-Tung University Building Executive Hall

The Executive Hall of Chiao-Tung University now under construction is expected to be ready for occupation at the beginning of the next term. It has been designed by T. Chuang. It will be a red-faced building in the colonial style three stories high and will cost about \$150,000. The ground floor will be occupied by the Department of Civic Training, the Business Department and the Registrar's Office. The second floor will be used for the President's Office, and the offices of the Secretary, Director of Studies, the Director of Research, and the Director of Graduate Service Bureau, leaving a spacious central hall for conference and other functions; the top floor will be left for editorial, printing and research purposes.

Who's Who in China

Dr. Song Kouo-ping, bacteriologist and university pro-



Dr. Song Kouo-ping (Sung Kuo-pin)
宋國賓

dress; Dr. Song Kouoping's Hospital, Passage 420, Rue Brenier de Mont-morand, Shanghai.

宋國賓醫師，籍貫江蘇江都，年歲三十八歲，一九二〇年畢業於震旦大學醫科，一九二二年，畢業於巴黎巴斯德學院，現任職務，震旦大學細菌學教授，安當醫院臨床學教授，開業醫師，上海市醫師公會主席，醫藥評論總編輯主任，其著作有新醫學辭典醫藥倫理學等。

Volunteers for Manchuria Hold Up Nanking-Bound Train

Sixty young Chinese "First Aid Corps Volunteers" held up the afternoon express at Shanghai North Station October 26 by demanding free passage to Nanking, as the first lap towards their proposed destination, namely Manchuria, where they hope to help fight the Japanese. The matter of providing free fares for the Volunteers was "put up" to the Nanking Government by telegraph. The answer was in the negative. Thereupon the Volunteers became somewhat noisy and in the end the railway officials contributed out of their own pockets the money necessary to provide the Volunteers with tickets. The party was organized by the local organization for the support of the Chinese volunteers in Manchuria. The volunteers are clad in grey military uniforms, and are equipped with first-aid kits.

Newton Baker Succeeds Jerome Green in Institute of Pacific Relations

Newton D. Baker, secretary of war during the administration of President Wilson, was appointed chairman of the American Council of the Institute of Pacific Relations Oct. 19. Mr. Baker succeeds Jerome D. Green of New York, a member of the banking firm of Lee, Higginson and Company, who was born in Japan and who was a member of the American delegation at the biennial conference of the Institute in Kyoto three years ago.

Senator Borah Anxious to Free Philippines

"I wish to God that Admiral George Dewey had never sailed into Manila Bay. Regardless of who gets the Philippines in future, I am willing the United States will part company with them," declared Senator William F. Borah in a speech at Idaho Falls, Idaho, recently in reference to the United States commitments abroad.

essor; born at Yangchow, Kiangsu, 1895; graduated from the medical faculty of Aurora University, Shanghai, 1920; Pasteur Institution, Paris, 1922; after the completion of his study, he began to hold the following positions: professor of bacteriology, Aurora University; professor of clinic, St. Antoine Hospital; chairman of the Association of Chinese Physicians in Shanghai; chief editor of Chinese Periodical of Medicine and Pharmaceutics; author: "French-Chinese Dictionary of Medical Science," "Sociology of Medicine", etc. Address: Passage 420, Rue Brenier de Mont-morand, Shanghai.

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New Books of Interest in the Far East

Lights and Shadows of Revolution

*Quiet Street, By Michael Ossorgin; Lincoln Mac-
Veagh: The Dial Press, New York City.*

Here is a splendid novel of the Russian Revolution which, while in no way political or polemical, shows the effect of this world shaking event on a large cross section of Moscow. The book is unique in the literature of the Revolution, fictional of otherwise, in that at the end one cannot say whether Mr. Ossorgin intended it to be pro-Bolshevik or anti-Bolshevik.

The story centers around the home of a famous ornithologist who even in the midst of Revolution was far more interested in birds than men. Iven Alexandrovitch, the ornithologist, and his daughter, Tanyusha, hold frequent open house and there foregather many types of people, including several students, a famous musician, and a philosophic and somewhat cynical school teacher, Astafiev. The ignorant servant girl of the house also plays her part in the tale and likewise her brother, who is probably typical of a large proportion of the soldiers who were forced to fight for the Czar.

There is little plot to the novel, but its incidents are well related. It starts at the beginning of the world war and continues through the Red Revolution, throwing much light on why and how the Revolution happened. The principal incidents involve Andrew Kolchagin, the servant girl's brother who joined the Communists out of his loathing for the war, "The Trunk," Astafiev, and Zavalishin, the executioner of the Cheka.

"The Trunk" was one of the young visitors to the ornithologist's home who went to war as an officer and returned with both arms and both legs shot away. Mr. Ossorgin gives a moving description indeed of this trunk of a man and his growing madness as he contemplates his plight, finally managing to roll himself out of a top storey window to welcome death on the pavement below. The story of "The Trunk" is the best and most original part of the book.

Astafiev and Zavalishin are well done, but neither is new to the literature of revolution. That, of course, does not mean that they are not authentic. Zavalishin is fundamentally worthless, but he plays an important role as a revolutionary instrument by executing those the Cheka condemned to death,—a job that many sincere revolutionaries would balk at, or for which they could not be spared because they were needed for tasks calling for more intelligence and courage than shooting the doomed. So every revolution will have its Zavalishin who is good for nothing else and who must brace his nerves daily with immense quantities of alcohol.

Zavalishin first met Astafiev when they had adjoining rooms and he sought out the school teacher for advice. Astafiev had little respect for either the Communists or the Czarists, or for anyone. "What does it all matter? It's certainly not worth bothering about," is his attitude. He really was no menace to the Revolution, but through a chain of circumstances, involving his acquaintanceship with a nihilist terrorist (and thus anti-Bolshevik) who came to Moscow, Astafiev is caught by the Cheka and sentenced to die on the sound but grim revolutionary theory that it is better for some of the innocent to perish than for any of the dangerously guilty to escape. The description of the head of the Moscow Cheka, Comrade Brickmann, the pure souled fanatic whose chest had been smashed by Czarist rifle butts in his youth, and Astafiev's cynically reminder to him that he had formerly opposed Lenin, is one of the most poignant in the book. So too is the execution of Astafiev by Zavalishin.

Astafiev, however, falls far short of the prototype, the old philosopher in Anatole France's classic novel of the French Revolution, "The Gods Are Athirst," who goes to the guillotine reading Lucretius and pausing ever and anon to admire the pretty ankles of a girl at his side who is also one of the victims of the Terror.

Such, however, is revolution. Demos no less that Plutos damns and dooms many who deserve a better fate because they are temperamentally incapable of being "yes-men." So the theme must inevitably form a part of a thorough-going novel of revolution. And even though

Mr. Ossorgin has not dealt with it as effectively as Anatole France, he has produced a competent piece of work that is well worth reading and which deserves a high place in modern literature. W.B.

Economic Aspects of China

*China Today: Economic, by J.B. Condliffe; World
Peace Foundation, Boston, Massachusetts.*

About all that is definitely known of the economic side of China is contained in this little volume by Dr. Condliffe, formerly professor of economics at the University of New Zealand, then research secretary of the Institute of Pacific Relations, and now a member of the League of Nations secretariat who has recently made a world economic survey.

In reading the book one is struck by the almost incredible lack of information on many phases of the Chinese economic situation. Not even the population of China is known within 100,000,000, which is quite a lot of leeway! In population one can take one's choice of Willcox's estimate of 342,000,000 and the estimate of 474,000,000 of the Ministry of Interior of Nanking, with several other estimates between these extremes. There is as much evidence to support one estimate as another.

Not even China's foreign debts are known exactly, much less the internal debt. There is very little precise information available on land distribution, average income of peasants and workers, natural resources, and taxation. It is known, of course, that as far as the overwhelming majority of the population is concerned, income is just as small and taxation is just high as are credible, but definite details are lacking.

Dr. Condliffe depends largely on Professor Buck's excellent but very inadequate survey for information on farm economics, which shows that the standard of life of the peasants is lower than that of the farm animals in middle western America.

Although there is no adequate survey of China's natural resources, enough is known to justify Dr. Condliffe's cautious statement that "though rich in coal, and possessing important deposits of other valuable minerals, China is not among the richest mineral countries of the world." The greatest weakness, he points out, is in iron ore and the comparative lack of coking coal together with the separation of the ore deposits from the coal. Further, the chief known iron ore deposits—in Manchuria—have been stolen by the Japanese.

"Tin from Yunnan," he adds, "is exported to the United States; wolfram ore, producing tungsten and antimony, are important in the world's supply, but there is little evidence of the petroleum reserves, and the production of gold, silver, copper, lead and zinc is very small." As this reviewer has pointed out previously in these columns, the entire Asiatic continent save for Siberia and parts of India appears deficient when compared to the west in the natural resources necessary for intensive industrialization although, as Dr. Condliffe says in regard to China, industrial development can go far before this shortage becomes critical. One big asset of China that he points out, which is now almost entirely undeveloped, is electric power.

Stabilization and security, Dr. Condliffe correctly states, are essential before there can be much economic development in China. These factors, also, appear increasingly far away from achievement. In large part this is due to the increasing intensity of imperialism during the past year, but internal weaknesses are also to blame. Dr. Condliffe for example, quotes L. K. Tao as justifying industrial development "at the temporary sacrifice of labor."

Laborers may properly ask why they should be sacrificed unless there is sacrifice all around; why they should work 12 or more hours a day, live in hovels, and stint on rice while their bosses sport expensive motorcars and patronize the cabarets of the International Settlement of Shanghai. It is certainly true that China will have to make many sacrifices to catch up with the western world, but there must be some measure of equality among the various groups that compose the land or the contradiction of luxury for a few and near-starvation for the many will continue to make anything save chaos impossible even if revolution can be prevented. In this connection a lesson might well be learned from the U.S.S.R. where almost incredible industrial development at considerable sacrifice is now proceeding, but with the standard of living of Stalin not qualitatively, even though quantitatively, higher than that of the average worker. W.B.

Dr. Chu Chia-hua Heads Communications Ministry

Dr. Chu Chia-hua, Minister of Education, has been appointed Minister of Communications to succeed Gen. Huang Shao-hsiung who as Minister of Interior has held this post concurrently for many months since the resignation of Gen. Chen Ming-shu. Dr. Oong Wen-hao, President



Dr. Chu Chia-hua

of Tsinghua University and an eminent geologist in China, has been named successor to Dr. Chu as Minister of Education. Both officials are expected to assume their offices shortly.

Dr. Chu is a native of Huchow, Chekiang and is 40 years of age. He received his advanced education in Germany where he studied philosophy at the Berlin University. After his return to China, he first served as a professor at the Peking Government University and later taught at the Chung Shan University at Canton. Then, he embarked upon

a political career. His ability first won recognition at Canton where he was appointed a member of Kwangtung Provincial Government and concurrently Commissioner of Civil Affairs. Next, he was elected a member of the Central Executive Committee of Kuomintang and also a member of Chekiang Provincial Party Headquarters. Shortly afterwards, he was appointed Commissioner of Civil Affairs of Chekiang Provincial Government and held this post for almost two years. While he was holding these posts, he was also concurrently vice-President and later President of the Chung Shan University at Canton. In 1930 he was transferred to Nanking as President of the Central University which post he resigned early this year to become Minister of Education, in which capacity, he also served concurrently as Chairman of the British Boxer Indemnity Refund Commission. Recently, he was transferred to the post of Minister of Communications. Dr. Chu is regarded as one of most capable political leaders in China and has been a close follower of Tai Chi-tao, President of the Examination Yuan.

Yangchow Farmers Riot---Oppose Land Taxes

The city of Yangchow, which is situated on the Grand Canal, a short distance above Chinkiang, in Kiangsu province, has of late been disturbed by riots staged by enraged farmers. The riots originally started a fortnight ago when the Yangchow magistrate ordered some 50 men and women detained for their failure to pay land taxes according to the new regulations. A big band of farmers invaded the city, attacked the magistrate's yamen and released the arrested men. Some 200 of the rescuing mob, however, were arrested. As the farmers continued to make attempts to invade the city in order to release the arrested men, on October 23 police and soldiers fired and killed seven, two of them women.

The rioters withdrew, but the farming populace generally held its ground and congregated outside the city walls. Two days later the magistrate resigned and 47 men and 192 women who had been arrested were released. Nineteen ringleaders were however detained. Matters quieted down for a few days but there was a recrudescence of the riots Oct. 27 when groups of the farming populace, excited by the authorities' refusal to release the arrested alleged ring-leaders, attacked the houses of the headman of the suburb and set fire to a number of buildings. Fresh attempts to invade the walled city were frustrated by the police and military detachments, but the trouble is far from ended.

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NOTICE

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The new rate, estimated in the currency of the Federated Malay States is equivalent to s. s. \$15. In India, Australia and other places using English currency the rate is equivalent to £2:8:0.

The China Weekly Review

38 Avenue Edward VII
Shanghai.

HOW AMERICAN PARTIES STAND ON INTERNATIONAL RELATIONS

(Continued from page 422)

that no future loans be made to foreign governments—without American money, there can be no wars;" "conscription of wealth, as well as man-power, in times of national emergency;" "a mighty army, navy, and air force as a guarantee of peace."

Election of Roosevelt by Good Majority Forecast

The Washington correspondent of the *London Daily Telegraph* Oct. 29 stated that straw ballots taken in various parts of the United States have given Gov. Franklin D. Roosevelt an apparent clear majority of one to three millions. The *Literary Digest* figures indicate that Roosevelt would receive 474 electoral votes, Hoover 57, and Thomas none.

President Hoover made a vigorous defence of the Administration before an enthusiastic audience in Indianapolis, October 28. He turned the tables on the Democrats by pointing out that Governor Roosevelt had at one time held a position in an office for the sale to the American public of the very foreign bonds which, according to Democrat campaigners, are now worthless and a "betrayal" of the people. A vigorous denial that the United States tariff was responsible for the world slump was given by President Hoover in his speech at Indianapolis. The tariff, he said, applied to only one-third of American imports, of which 66 per cent was agricultural. He declared that the Republicans frankly stood for the maintenance of the tariff in order to protect American workers against the depreciated currencies and lower standards of living abroad.

While the President was being cheered by a monster meeting of Republicans, Senator Hiram Johnson, veteran Progressive and a former follower of the Republican banner, was stating in San Francisco that the Administration was "inept, ineffective, inefficient, and disastrously un-American" in its attempts to handle the economic situation. He emphasised the failure of the President, the "miracle man of 1928," to carry out the promises made during that election, and advocated support of Gov. Roosevelt on the ground that he was "just an American."

President Hoover is scheduled to close his campaign for re-election with a radio broadcast from his home on the "knoll" at Stanford University, California. The President will vote on the campus at Stanford, having registered by mail.

Norman Thomas, Socialist Candidate, in an address before the Boston Foreign Policy Association Oct. 29 said the Socialist program carried the following six points:

1. Immediate recognition of Soviet Russia by the United States in order that all nations may fully and freely discuss the peace program as they are offered.
2. Adjustment of the Inter-Allied debt problem at the forth-coming world economic conference.
3. Complete and actual world disarmament.
4. Embargo of arms, munitions and refusal of loans to all aggressor nations.
5. End the imperialism of the United States dollar.
6. End all military education.

Mr. Thomas has been a militant campaigner for world peace for more than 20 years and during the war he championed the cause of the conscientious objector and wrote a book in his defence. He was at one time the editor of the *Nation*, a weekly magazine largely devoted to the cause of world peace.

Chinese and American Journalism Teachers to Visit Shanghai

Prof. Frank L. Martin, associate dean of the School of Journalism of the University of Missouri and Prof. Hin Wong, chairman of the department of Journalism of Yenching University, Peiping, are scheduled to arrive in Shanghai this week for a brief stay prior to Prof. Martin's departure for his home in the United States. Prof. Martin is accompanied by Mrs. Martin and their son. While in Shanghai Professors Martin and Wong will confer with local editors and publishers regarding plans for the further development of journalism studies at Yenching. The department of journalism at Yenching now has 53 undergraduates and four post-graduate students. Since the establishment of the department, ten students have been graduated, all of whom are engaged in active newspaper work in Shanghai, Peiping and Tientsin.

Customs Seizures Protested by Shanghai Merchants

As a sequel to the raids which have been made by the Shanghai Customs authorities upon various shopkeepers, their goods being seized on the suspicion of their having been smuggled, and putting upon the shopkeepers the onus of proving that the goods have paid duty, a strong protest is being made to the Nanking Government. Threat of a general business strike in Shanghai was carried to Nanking end of last week by 10 delegates representing the local Chinese Chamber of Commerce, and 100 trade guilds and merchants if the government does not immediately stop the alleged abuses committed by the customs administration here.

The delegates are seeking to force the government to prohibit further searches on the part of the customs authorities of shops and department stores, and what is alleged as illegal arrest of merchants for carrying goods in stock on which, the customs inspectors charge, no duty has been paid.

The local business men take the position that the customs officials have no legal right to carry out these searches nor to make arrests when the shop owners fail to produce bills of lading showing that the customs duties on merchandise have not been paid. The merchants declare that they buy goods from wholesale concerns who pay duties on their goods before the retailer gets possession of any stocks. It is also charged that the demand to produce bill of lading is a departure from old procedure and that many have been caught without them merely because they were not aware of the new ruling of the customs administration.

At Nanking the delegation called on the Minister of Finance, Minister of Industry, the Executive Yuan, the Legislative Yuan, and the Central Kuomintang Headquarters, to make known their demands. The petition demands that special customs laws should be enacted to set due limits to the power of the customs authorities and to provide channels of redress to the merchants whenever they think they have been wronged by the customs authorities.

Sir Frederick Maze, Commissioner of Customs, in a statement issued to the press declared that seizures which had been made were legal. Sir Frederick stated that it was not true that articles seized by the Customs have been purchased from foreign merchants in Shanghai, as the documentary evidence obtained by the Customs showed that in most cases the articles had been supplied direct by dealers abroad, with whom arrangements had been made either for the smuggling of the goods into China or for the provision of special invoices for Customs purposes.

Customs Searchers Take Unstamped Mail from Japanese Ship

A party of Customs searchers made an unusual seizure prior to the sailing of the N. Y. K. s.s. *Nagasaki Maru* for Japan last week when a mail-bag containing 262 private letters was taken from the ship's mail department at the request of the Chinese Postal authorities who claimed that the letters were evading the usual postal rates by not bearing stamps issued by the Chinese Post Office.

The Chinese postal ban upon the Manchukuo mails is believed to have led letter-writers to adopt this procedure of mailing their letters as the majority of letters seized were addressed to Manchukuo, with Japanese stamps only.

Manchukuo Has Never Remitted Funds For Foreign Loan Service

T. V. Soong, Minister of Finance, when shown the report of a recent statement in the British House of Commons by Sir John Simon, secretary of state for foreign affairs, that the so-called Manchukuo authorities had remitted certain sums to Shanghai for the foreign loan service, stated categorically that none of the revenue collected in Manchuria since the seizure of the customs house there had ever been remitted to the inspector-general of Customs, Sir Frederick Maze, either directly or indirectly. This was in confirmation of previous statements to the same effect. The Japanese have repeatedly spread the report that such Customs funds had been remitted by Manchukuo.

R. Stanley Dollar---A Worthy Successor to a Distinguished Father

R. Stanley Dollar, head of the Dollar Line and President of the United States Lines, returned to New York recently after a trip to Europe in such an optimistic mood that he anticipated that within a comparatively few years



R. Stanley Dollar

the American mercantile marine would carry the great bulk of American passenger and freight traffic from New York for the first period in post-war years. In an interview he pointed out that while European nations were contemplating the greatest junking of liner tonnage in the history of international shipping, the United States was short of sufficient vessels of the *Manhattan* class to carry mails and maintain a weekly regular mail service. For this reason he said that it was imperative to have another vessel like the *Manhattan* and the *Washington*. He mentioned that in recent months Americans who formerly traveled, in many instances, on foreign ships are now patronizing American vessels. The new Italian super-speed ships will not affect American vessels, he said, as they did not cover the same trade route.

The destinies of the great shipping business which the late Captain Robert Dollar built up, are now in the hands of his son, Stanley, who with his kindly eye, twinkling with humor, an all but limitless capacity for work and a leadership, such is seldom found outside uniformed ranks in war days, is proving himself a worthy successor to his distinguished father. He has been in close association in business with his father since he was 17, when the entire Dollar Steamship fleet consisted of the historic *Newsboy*, a steam-schooner with a length of 129 feet, breadth 29 ft., depth 9 ft. and a speed of six to seven knots in good weather. These dimensions "suffer" beside the *Leviathan*, the *President Hoover*, the *Manhattan* and the *President Coolidge*.

Chroniclers have written uncounted columns on the traits, the achievements and the fearlessness of the late Captain Dollar, tracing his days from lumber camps to the head of a sturdy round the world and trans-Pacific steamship line. His accomplishments have been lauded to the skies. But his chroniclers have generally overlooked the greatest accomplishment of his well spent life—the training of a son big enough to carry on an immense business with the drive and vitality of its originator.

R. Stanley Dollar was born at Bracebridge, Ontario, Canada, on July 6th, 1880. Two years later he was brought by his parents to Marquette, Michigan. Both these were lumber districts, for lumber was the life of Robert Dollar and he knew no more of shipping than his voyage from faraway Scotland and the crude rafts and flatboats of the Canadian and Michigan woods. When R. Stanley was eight the Dollar family moved to San Rafael, California, a pleasant suburb across the day from San Francisco. Into the forests of the nearby counties of Northern California the Dollar name and energy soon was felt. Then, when R. Stanley was 13 the Dollar flag flew at the masthead of the *Newsboy* of happy memory. It is said that the advent of the *Newsboy* into the Dollar family marked a restlessness in the school life of R. Stanley which eventually resulted in his father permitting him to go to work in the little one-room Dollar office some two blocks below where the eleven story San Francisco Dollar building now stands. That he had a firm groundwork in lumber and shipping activities needs not be repeated. When but an apprentice in the firm the Klondyke and Nome gold rushes started and there he learned the buying and equipping of ships in record time, for gold-crazed prospectors were begging for transporta-

Latest New York Stock Exchange Quotations

Market—Easy

Business Done 500,000 Shares

Nov. 2, 1932

1931-2 Div. \$			STOCKS	Mon. Tues.	
high	low	per Sh.		Oct. 31	Nov. 1
9 1/2	1 1/2	—	Adams Express	5 1/2	4 1/2
87 1/2	42 1/2	*6.00	Allied Chemical & Dye	73 1/2	71 1/2
14 1/2	4	—	Allis Chalmers	8	Unq.
73 1/2	29 1/2	*4.00	American Can	52	49 1/2
14 1/2	2	—	American & Foreign Power	7 1/2	7 1/2
9 1/2	1 1/2	—	American & Foreign Power Warr.	5	5
26 1/2	5 1/2	—	American Smelting	14 1/2	13 1/2
137 1/2	70 1/2	9.00	American Telephone & Telegraph	103 1/2	100 1/2
86 1/2	44	*5.00	American Tobacco "B"	66 1/2	65 1/2
34 1/2	11	2.00	American Waterworks	22	20 1/2
18 1/2	3	—	Anaconda Copper	37 1/2	35 1/2
151 1/2	28 1/2	*4.00	Auburn Automobiles	41 1/2	40 1/2
21 1/2	3 1/2	—	Baltimore & Ohio	12 1/2	12 1/2
29	7 1/2	—	Bethlehem Steel	17 1/2	17 1/2
43 1/2	20	*2.00	Borden Company	25 1/2	25 1/2
13 1/2	3 1/2	—	Borg Warner	8 1/2	7 1/2
20 1/2	7 1/2	—	Canadian Pacific Railway	13 1/2	13 1/2
63 1/2	16 1/2	—	Case, J. I.	39 1/2	37 1/2
47 1/2	19	2.00	Chase Bank	35	33 1/2
20 1/2	4 1/2	2.00	Chesapeake Corp.	14 1/2	13 1/2
21	5	1.00	Chrysler	14 1/2	13 1/2
6 1/2	1 1/2	—	Cities Service Company	3 1/2	3 1/2
20 1/2	4 1/2	1.00	Columbia Gas & Electric	13	12 1/2
5	1 1/2	.30	Commonwealth & Southern Warr.	3	2 1/2
15 1/2	1 1/2	—	Consolidated Gas of N. Y.	5 1/2	5 1/2
68 1/2	31 1/2	4.00	Continental Oil	5 1/2	5 1/2
9 1/2	3 1/2	—	Corn Products	50 1/2	48 1/2
54 1/2	24 1/2	*3.00	Coty Inc.	3 1/2	3 1/2
3	1 1/2	—	Curtiss Wright Company	2	2 1/2
57	23	4.00	Drug Incorporated	30 1/2	30 1/2
59 1/2	22 1/2	2.00	Du Pont de Nemours	34	32 1/2
87 1/2	36 1/2	3.00	Eastman Kodak	51 1/2	49 1/2
45 1/2	5	6% S	Electric Bond & Share	24	22 1/2
15 1/2	2 1/2	—	Electric Power & Light	8	7 1/2
5 1/2	1	—	Fox Film "A"	2 1/2	2 1/2
26 1/2	8 1/2	.40	General Electric	15 1/2	15 1/2
40 1/2	19 1/2	2.00	General Foods	28 1/2	28 1/2
24 1/2	7 1/2	1.00	General Motors	12 1/2	12 1/2
28 1/2	6 1/2	1.00	General Railway Signal	Unq.	Unq.
24 1/2	10 1/2	1.00	Gillette Safety Razor	17 1/2	17 1/2
19 1/2	8 1/2	1.60	Gold Dust	16 1/2	15 1/2
11 1/2	2 1/2	—	Goodrich Rubber	5 1/2	5 1/2
28 1/2	5 1/2	—	Goodyear Tire & Rubber	14 1/2	14 1/2
18 1/2	3 1/2	—	International Cement	8 1/2	Unq.
1 1/2	1/2	—	International Com. Engine.	Unq.	Unq.
22 1/2	10 1/2	1.20	International Harvester	21	20 1/2
12 1/2	3 1/2	—	International Nickel	7 1/2	7 1/2
15 1/2	2 1/2	—	International Telephone & Telegraph	9 1/2	8 1/2
32 1/2	10	—	Johns Manville	22	21
19	4 1/2	—	Kennecott	11 1/2	10 1/2
9 1/2	1 1/2	—	Kreuger & Toll	1 1/2	1 1/2
66 1/2	32 1/2	*4.00	Liggett & Myers, "B"	56 1/2	56
36 1/2	13 1/2	*3.00	Loew's: Inc.	26 1/2	25 1/2
17 1/2	9	1.20	Lorillard P. Co. (Com.)	13	12 1/2
11 1/2	1 1/2	—	Ludlum Steel	5 1/2	5 1/2
16 1/2	3 1/2	—	Montgomery Ward	11 1/2	11 1/2
64 1/2	23 1/2	2.00	National City Bank (bid price)	43 1/2	41 1/2
9 1/2	2 1/2	—	Nevada Copper	5 1/2	5 1/2
36 1/2	8 1/2	—	New York Central	23 1/2	23 1/2
42 1/2	13 1/2	10%	North American Company	28 1/2	27 1/2
37	16 1/2	2.00	Pacific Gas & Electric	Unq.	26 1/2
5 1/2	1 1/2	—	Packard Motors	2 1/2	3
11 1/2	1 1/2	—	Paramount—Publix	3	2 1/2
23 1/2	6 1/2	—	Pennsylvania Railroad	14 1/2	13 1/2
4 1/2	1	—	Pennroad Corporation	1 1/2	1 1/2
8	2	—	Phillips Petroleum	5 1/2	5 1/2
60	28	3.20	Public Service of N. Jersey	47 1/2	46 1/2
12 1/2	2 1/2	—	Radio Corporation	6 1/2	5 1/2
7 1/2	1 1/2	—	Radio-Keith Orpheum	3 1/2	3 1/2
45 1/2	26 1/2	3.00	Reynolds Tobacco "B"	29 1/2	29
37 1/2	9 1/2	—	Sears Roebuck	18 1/2	17 1/2
8 1/2	2 1/2	—	Shell Union	6 1/2	6 1/2
13	3	—	Simmons Company	8	8
12 1/2	5 1/2	.80	Socony-Vacuum Corp.	9 1/2	8 1/2
32 1/2	15 1/2	2.00	Southern California Edison	15 1/2	15 1/2
34 1/2	7 1/2	2.00	Standard Gas & Electric	16 1/2	15 1/2
37 1/2	19 1/2	*1.00	Standard Oil of N. Jersey	30 1/2	29 1/2
17 1/2	9 1/2	1.00	Texas Corporation	13 1/2	13 1/2
26 1/2	12	2.00	Texas Gulf Sulphur	21 1/2	21
7	2 1/2	—	Trans America	4 1/2	4 1/2
36 1/2	15 1/2	1.20	Union Carbide & Carbon	24	22 1/2
94 1/2	27 1/2	6.00	Union Pacific Railway	65	61 1/2
33 1/2	6 1/2	—	United Aircraft & Trans.	24 1/2	22 1/2
13 1/2	3 1/2	.40	United Corporation	8 1/2	8 1/2
21 1/2	9 1/2	1.20	United Gas Improvement	18 1/2	17 1/2
9 1/2	1 1/2	—	U. S. Rubber	5 1/2	5
52 1/2	21 1/2	—	U. S. Steel	35 1/2	34
23 1/2	5 1/2	—	Vanadium	13	12
4 1/2	1 1/2	—	Warner Bros. Pictures	2	2
43 1/2	15 1/2	—	Westinghouse E. & M.	26 1/2	25 1/2
45 1/2	22	2.40	Woolworth	36 1/2	35 1/2

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tion to Alaska's new El Dorado. That was along in '98 and '99.

Since then development has been rapid and substantial. It was in 1922 that R. Stanley Dollar went into the trans-Pacific passenger trade when he organized and was made president of the American Mail Line, operating Shipping Board vessels on the route between Seattle and Manila. In January 1924 the Dollar Line dispatched its first vessel round the world and supplemented the service with another fleet of President Liners from San Francisco to the Orient more than a year later. Today the sun never sets on the Dollar flag which is known in every harbor where a sail slants or steam spins the blades of a propeller.

\$1,500,000 Being Raised to Build Nanking Highway

The Reconstruction Department of the Kiangsu Provincial Government is raising \$1,500,000 for the construction of a highway from Wusih to Shanghai via Changshu, Taichang, Kating and Nanziang to complete a new motor road linking Nanking with this city, according to information received here last week from Chinkiang, the Kiangsu capital.

According to present plans, the Shanghai-Wusih highway will be linked with the Ishing-Wusih and Nanking-Ishing highways, which were completed several months ago as sections of the Round-the-Taihu and Nanking-Hangchow highways. The route has been so chosen to minimize the expense which would be required for the building of a new line from Wusih to the capital city. The reconstruction department, headed by Tung Siu-cha, is seeking financial assistance in the sum of \$400,000 from the National Economic Council.

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CUSTOMS NOTIFICATION No. 1252

With reference to Customs Notification of the 18th August and 19th October, 1932 (Regulations governing the issue of Consular Invoices), the public is hereby notified that in accordance with instructions received from the Government foreign goods coming from all Manchurian ports will be required to be accompanied by a Consular Invoice.

L. H. Lawford,
Commissioner of Customs.

CUSTOM HOUSE,
Shanghai, 1st November, 1932.

The National City Co. Gold Bond Quotations Received From Head Office

Oct. 27 1932.

SECURITY	RATE & DATE DUE	Price	Appro Yield%
The National City Bank of New York	Stock	43½	—
Argentine Government	6 % May 1, 1960	51½	12.11
U. S. of Brazil	6½% Oct. 15, 1957	18½	—
Republic of Finland	6½% Sep. 1, 1956	67½	10.07
German Central Bank for Agriculture	6 % Oct. 15, 1960	47	—
Kingdom of Italy	7 % Dec. 1, 1951	96	7.39
State of Minas Geraes Series "A"	6½% Sep. 1, 1959	14½	—
State of Sao Paulo (Brazil)	7 % Oct. 1, 1940	56	—
American I. G. Chemical Corporation	5½% May 1, 1949	78	7.91
Chine Westphalia Electric Power Corp.	6 % Apr. 1, 1955	48½	—

QUOTATIONS RECEIVED FROM LONDON OFFICE

Republic of China Gold Loan	5 % 1925	70½	—
Chinese Govt. Re-org. (£) Loan			
Stamped	5 % 1913/60	71	—
Chinese Govt. Re-org. (£) Loan Un-			
stamped	5 % 1913/60	69	—
Chinese Government (Crisp Loan)	5 % 1612	44	—
Shanghai-Nanking Railway	5 % 1904/08	48	—
Shanghai-Hangchow-Ningpo Railway	5 % 1908/58	80	—
Hukuang Railway	5 % 1911/1951	27	—
Tientsin-Pukow Railway	5 % 1908/09	27	—

NOTE: The above quotations are received by cable, and whilst believed to be correct, are not guaranteed.

The National City Bank of New York, Rates of Exchange

Shanghai Nov. 2, 1932.

Demand selling rate on America:	U.S. \$1.00 = Sh. \$4.7914
Demand buying rate on America:	U.S. \$1.00 = Sh. \$4.6950
Demand selling rate on London:	£1.0.0 = Sh. \$15.345
Demand buying rate on London:	£1.0.0 = Sh. \$15.485

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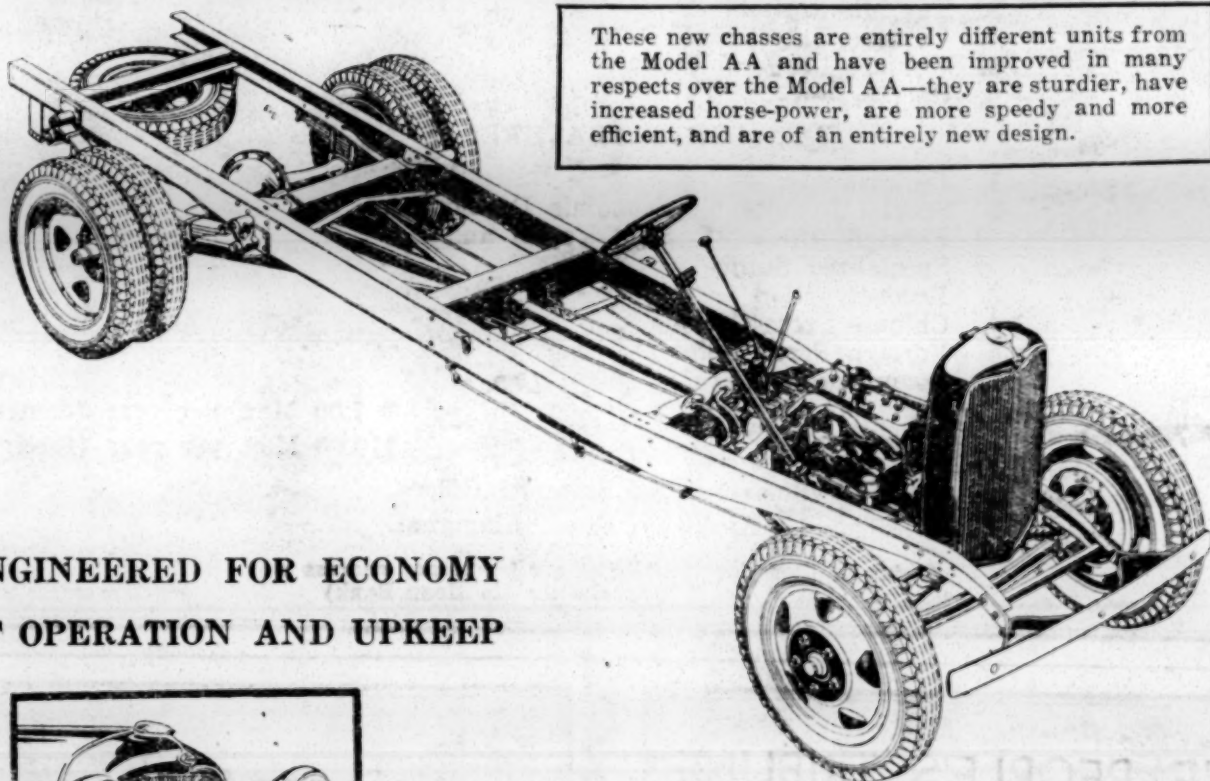
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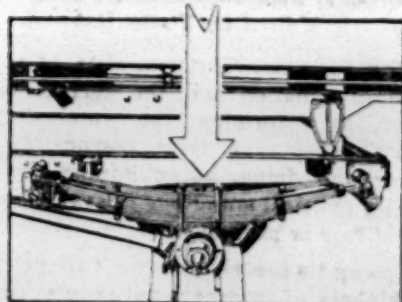
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